

Socio-Economic Profile Of The Low Income And Poor Communities In Kuala Lumpur City, Malaysia

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Abstract

It seems to have been apparent in developing nations that economic growth and urbanization are always interrelated. Malaysia's rapid economic growth has also resulted in a considerable growth of urbanization. As gleaned from the other side of the coin, the process of such urbanization had twisted numerous negative impacts on the socio-economic aspects of the urban low income and poor communities living in the low-cost flats and squatters. One of the major impacts of Malaysia's rapid urbanization is the transformation in the socio-economic profile of the urban low income and poor communities. This paper aims to determine and analyze the socio-economic indicators affecting the profile of the urban low income and poor communities residing in the squatters and low-cost flats of Kuala Lumpur city, Malaysia. To pursue the objective, the study has conducted a field survey, collected primary data from the level of living conditions of the urban low income and poor households and has employed some statistical techniques such as descriptive statistics, analysis of variance (ANOVA), and the chi-square test. The empirical findings of this study appeared to have important policy implications and are expected to enable the respective policy and decision makers in their effort to alleviate urban poverty.

Keywords: *Socio-economic profile, urban low income and poor communities, urban poverty, and Kuala Lumpur City.*

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1. Introduction

Following rapid economic development and population growth in Kuala Lumpur city in the last few years, numerous issues arose pertaining to the causes of urbanization in the city. Several of these issues and causes are seen to have been unusual and specific only to Kuala Lumpur city. The reasons are many folds, such as its strategic location, topography, history and the manner in which developments have been planned and implemented. Various studies revealed that the Malaysian population is increasingly urbanized. From about a quarter of the total population who were "urban" in 1970, the total number increased to about half of the population in 1991. The level rose to about 55 percent in 1995 and was then expected to be more than 60 percent in the year 2005 (Seventh Malaysia Plan 1996). Several factors have contributed to the increase in the urban low-income and poor communities since 1980s. Among these factors, rural-to-urban and urban-to-urban migrations and the economic crisis are significant.

The growth of Kuala Lumpur city has been largely generated by a rapid increase in population. Poverty and economic hardships in rural areas combined with stimulate out-migration from rural to urban areas. Because, the urban economic base, supported by the expansion in the manufacturing and construction sectors, trade, commerce, finance, and transportation networks has enabled the urban population to enjoy higher incomes and a better quality of lifestyles than their rural counterparts. During the Seventh Malaysia Plan (1996-2000), the average monthly urban household income has increased by 14.6 percent per annum, compared to the average monthly rural household income that has increased by 13.0 percent. Reflecting this, urban population was increased by 3.8 percent per annum during the Seventh Malaysia Plan, against the total population growth by 2.1 percent.

However, the much-discussed issue that followed due to the rapid urbanization in the Kuala Lumpur city is squatter settlements. In Kuala Lumpur, squatter settlements were first observed during the economic depression of the late twenties and early thirties (Simon and Khoo 1976). By 1970, the number of squatters in Kuala Lumpur was estimated to be about 103,370. The number has subsequently increased to 243,154 in 1978 (Abdullah 1987). Following the efforts by the City Hall of Kuala Lumpur to resettle the squatters in low-cost flats, their number decreased to 220,055 in 1982, 156,151 in 1985, and to 129,129 in 1998 representing a substantial percentage (about 17 percent) of the total population of Kuala Lumpur City (Bureau of Consultancy 1998). Although the number of squatters in Kuala Lumpur declined, the number is on the increase in other areas of the Klang Valley (Petaling Jaya, Gombak, Hulu Langat, and Klang).

However, this study is thought to be an important effort, which may enable policy and decision makers in their attempt to alleviate urban poverty. The author is very much optimistic that determining and analyzing the socio-economic indicators affecting the profile of the urban low income and poor communities, who are usually deprived of the basic amenities of life, could help alleviating urban poverty.

2. Materials And Methods

Sources of Data and Sample Design

The analysis of this study is based on primary data collected recently from three areas of squatters and low-cost flats in Kuala Lumpur city. The data for this study were taken to reflect the current socio-economic profile of the urban low income and poor communities, particularly squatters and low-cost flat dwellers. Therefore the squatters and low-cost flat areas were chosen for the field survey. Trained interviewers paid their visits for several times in each study area. The interviewers had conducted the interviews with the persons who were the heads of the households, the wives or persons responsible for the economic decision for their families, and older than 18 years.

The overall sampling design for the study can be described as "stratified quota random sampling" with the key stratification variable "characteristics of household". In the first stage, the households to be surveyed had been selected purposively through a preliminary "windshield survey" in which the general characteristics of squatters or low-cost flats were found to exist. For doing this, enumerators were assigned to particular household types in each area, with minimum interview-quotas for each household-type. Then, to interject randomness into the sampling plan, enumerators had been advised to seek interviews with every second or third home on a particular street. A total of 300 household heads were interviewed from three parliamentary areas of Kuala Lumpur within which 100 households were selected from each area following the ratio of sixty percent and forty percent for the squatters and low-cost flats respectively.

Study Area Selection

The study was undertaken in three parliamentary areas of the Federal Territory of Kuala Lumpur. The parliamentary areas are Kepong, Segambut, and Titiwangsa and the respective squatter areas that have been surveyed are Jinjang Utara Tambahan, Sentul Pasar, and Datuk Keramat. It has been observed that most of the low-cost flats are situated at the places other than squatters and most of these are also scattered. Although a substantial number of low-cost flats are located at Jinjang Utara Tambahan that fulfilled the requirement of the sample size ratio of the study but their distribution was scattered in both Datuk Keramat and Sentul Pasar. To collect data in accordance with sample size ratio, three low-cost flats have also been selected from Datuk Keramat area. The selected low-cost flats are Flat Pangsa Murni, Flat Seri Perlis 2, and Flat Keramat Jaya and these three flats are located at the center place of Datuk Keramat area.

Two initial criteria prompted the researcher to select these three areas. First, the poor groups residing within the federal territory of Kuala Lumpur were predominantly concentrated in the squatter areas. In addition, a considerable number of the urban low income and poor

communities had also been living in the low-cost flats. Therefore, in order to identify the actual information on the poverty threshold, squatters and low-cost flats were chosen. Second, the study focuses on 'multi-cultural diversity' that is comprised of the several ethnic groups, such as Malay, Chinese, and Indian.

Technique of Analysis

At the first stage of data analysis, descriptive statistics such as means, ranges, and frequency distributions have been computed for all variables in the questionnaire and for selected variables for use in multivariate analysis. Three types of statistical tests determined the statistical significance of three types of differences between and among variables. For example, the significance of differences for continuous variables between pairs of means has been tested by "t-tests of equality of means" and the significance between more than two means such as differences among the three areas has been tested by one-way analysis-of-variance (ANOVA) tests. In addition, the significance of differences for discrete variables between and among observed and expected frequencies has been examined by Chi-square "likelihood ratio" tests.

3. Results And Discussion

Respondents' Gender Status

The respondents (urban low-income and poor communities in the present study) of this study were the heads of households, the wives, and the persons responsible for the economic decisions, and older than eighteen years of age. The study conducted interviews mainly with male householders, fathers or husbands (77.3 percent of respondents), followed by female householders, mothers or wives (22.7 percent) (Table 1). The role of

Table 1: Socio-economic indicators of the urban low income and poor communities within individual areas.

Socio-economic Indicators		Area			
		Jinjang Utara	Sentul	Datuk Keramat	Total ***
		Percent			
Gender	Male	89.0	71.0	72.0	77.3
	Female	11.0	29.0	28.0	22.7
Age group (in years)	≤ 18	0.0	0.0	0.0	0.0
	19 - 30	11.0	11.0	20.0	13.9
	31 - 45	49.0	60.0	44.0	51.2
	46 - 64	40.0	29.0	35.0	34.6
	≥ 65	0.0	0.0	1.0	0.3

Socio-economic Indicators		Area			Total ***
		Jinjang Utara	Sentul	Datuk Keramat	
		Percent			
Highest educational qualification	No Schooling	10.0	15.0	4.0	9.7
	Primary School	42.0	33.0	23.0	32.7
	SRP/LCE	32.0	25.0	29.0	28.7
	SSC/SPM/MCE	10.0	20.0	27.0	19.0
	HSC/STPM	6.0	0.0	5.0	3.7
	Diploma	0.0	6.0	10.0	5.3
	First Degree	0.0	1.0	2.0	1.0
Income range (Per month, per household)	MYR (1–600)	0.0	3.0	3.0	2.0
	MYR (601–1200)	0.0	17.0	27.0	14.7
	MYR (1201–1500)	36.0	6.0	16.0	19.3
	MYR (1501–2000)	47.0	19.0	28.0	31.3
	MYR (2001–2500)	0.0	18.0	10.0	9.3
	MYR (2501–3000)	7.0	12.0	6.0	8.3
	MYR (3001–3500)	4.0	8.0	4.0	5.3
	MYR (3501–4000)	0.0	6.0	2.0	2.7
	MYR (4001–4500)	6.0	3.0	0.0	3.0
	MYR (4501–5000)	0.0	2.0	2.0	1.3
	MYR (5001–6000)	0.0	2.0	1.0	1.0
> MYR 6000	0.0	4.0	1.0	1.7	
Ethnic group	Malay	0.0	0.0	98.0	32.7
	Chinese	100.0	0.0	0.0	33.3
	Indian	0.0	100.0	0.0	33.3
	Others	0.0	0.0	2.0	0.7
Marital status	Married	89.0	83.0	86.0	86.0
	Single/Unmarried	3.0	11.0	7.0	7.0
	Divorced	0.0	3.0	6.0	3.0
	Widow	8.0	3.0	1.0	4.0
Home ownership tenure	Own	88.0	42.0	53.0	61.0
	Rent	12.0	51.0	45.0	36.0
	Others	0.0	7.0	2.0	3.0
Occupation	Private Sector	57.0	35.0	46.0	46.0
	Government Sector	0.0	26.0	16.0	14.0
	Private Business	26.0	12.0	9.0	15.7
	Retired	4.0	12.0	11.0	9.0
	Others	13.0	15.0	18.0	15.3
Work status	Permanent	70.0	85.0	87.0	80.7
	Temporary	30.0	15.0	13.0	19.3

Note: *** Indicate significant difference among areas at 0.01 level.

respondents in the family differs significantly among areas ($P < 0.01$), with fathers or husbands were playing larger relative role in each area (Jinjang Utara 89.0 percent, Sentul 71.0 percent, and Datuk Keramat 72.0 percent). Among the female respondents, mothers or wives being most common in both Sentul (29.0 percent) and Datuk Keramat (28.0 percent), but their roles were reported less noticeable in Jinjang Utara (11.0 percent).

Age of Respondents

The average age of survey respondents is 42.2 years, with the average in Jinjang Utara (43.4 years) not significantly higher than that in either Sentul (41.9 years) or Datuk Keramat (41.3 years). However, in each area, as well as for all respondents in the study, the age ranges differ significantly among areas ($P < 0.01$), with the most common age ranges are 31-45 years (51.2 percent), 46-64 years (34.6 percent), and 19-30 years (13.9 percent) (Table 1).

Educational Attainment of Respondents

The most common highest level of education obtained by all 300 respondents in the survey is Primary School (32.7 percent), followed by "SRP/LCE" (28.7 percent), and "SPM/MCE" (19.0 percent) (Table 1). It is worth noting here that in Malaysia SRP stands for *Sijil Rendah Pelajaran* (in Malay language), which can be translated into English as Lower Certificate of Education (LCE). The Secondary School Certificate (SSC) in Malaysia is considered equivalent to both SPM and MCE. Of the all respondents, a total of 9.7 percent were found with the education level of "No Schooling". However, levels of education differ significantly among areas ($P < 0.01$), with the most common highest levels obtained in Jinjang Utara are 42.0 percent "primary School" and 32.0 percent "SRP/LCE". In Sentul, the most common highest levels obtained by respondents are 33.0 percent "Primary School", 25.0 percent "SRP/LCE", and 20.0 percent "SPM/MCE". The most common highest education levels obtained by respondents in Datuk Keramat are 29.0 percent "SRP/LCE", followed by 27.0 percent "SPM/MCE", and 23.0 percent "Primary School".

Educational Attainment of Respondents' Household Members

It is reasonably expected that the socio-economic profile should also consider the level of education of all members of a household than on that for just the one household member or household head. For this reason, consideration has also been given to provide response to the question on education of all household members. In the present study, the average number of members fitting into each education level category in the various households for each area has been determined (Table 2). Although these average numbers have no real meaning in life rather they are only abstract numbers. But the tests of differences among them reveal

significant meanings of the fact. Among the surveyed households in Jinjang Utara, compared to those in the other two areas, a significantly greater presence ($P < 0.01$) of lower level of education from pre-school up to SRP/LCE and a significantly lesser presence ($P < 0.01$) of degrees more advanced than SPM/MCE.

Table 2: Highest Educational Qualification Obtained by Household Members.

Level of Education	Jinjang Utara	Sentul	Datuk Keramat	Total
	Mean Number			
Not Yet Entered School	0.9000	0.3000	0.7000	0.6333 ^{***}
No Schooling	0.5200	0.7400	0.6100	0.6233 ^{NS}
Pre-School	0.6800	9.000E-02	0.6800	0.4833 ^{***}
Primary School	1.5800	2.0700	1.0900	1.5800 ^{***}
SRP/LCE	2.0400	1.3800	0.7900	1.4033 ^{***}
SPM/MCE	0.6300	1.0400	0.9100	0.8600 ^{**}
STPM/HSC	6.000E-02	2.000E-02	0.1900	9.000E-02 ^{***}
Diploma	0.0000	0.2000	0.2800	0.1600 ^{***}
First Degree	0.0000	5.000E-02	6.000E-02	3.667E-02 [*]
Post-Graduate Degree	0.0000	0.0000	1.000E-02	3.333E-03 ^{NS}

Note:

*** Indicate significant at $P < 0.01$ level.

** Indicate significant at $P < 0.05$ level.

* Indicates significant at $P < 0.10$ level.

NS Indicates not significant at $P \geq 0.10$ level.

Monthly Total Household Income

The average income of respondents is MYR 947.00 with the average in Sentul (MYR 983.50) not significantly higher than that in either Jinjang Utara (MYR 944.20) or Datuk Keramat (MYR 914.04). But, the average total household income is MYR 2102.56 with the average in Sentul (MYR 2,536.50) significantly higher ($P < 0.01$) than that in both Jinjang Utara (MYR 1,952.20) and Datuk Keramat (MYR 1,818.99). In each area, as well as for all households in the study, the most common ranges of total household income per month reported for the all households surveyed are MYR 1,501-2,000 (31.3 percent of households), MYR 1,201-1,500 (19.3 percent of households), and MYR (601-1,200 (14.7 percent of households) (Table 1).

On the other hand, 9.3 percent of respondents reported that their monthly household income range is MYR 2,001-2,500, while 8.3 percent indicated the range to be MYR 2,501-3,000, and only 1.7 percent of respondents reported that of equals MYR 6,000 or more. Levels of household income differ significantly among areas ($P < 0.01$), with the most common ranges are 47.0 percent of MYR 1,501-2,000, 36.0 percent of MYR 1,201-1,500, 7.0 percent of MYR 2,501-3,000, and 6.0 percent of MYR 4,001-4,500 in Jinjang Utara. In Sentul, the most common ranges of households' income are 19.0 percent of MYR 1,501-2,000, 18.0 percent of MYR 2,001-2,500, 17.0 percent of MYR 601-1,200, and 12.0 percent of MYR 2,501-3,000. For Datuk Keramat, the ranges are 28.0 percent of MYR 1,501-2,000, 27.0 percent of MYR 601-1,200, 16.0 percent of MYR 1,201-1,500 and, 10.0 percent of MYR 2,001-2,500.

Households' Economic Status

The monthly household incomes are clearly much higher on average in Sentul than in both Jinjang Utara and Datuk Keramat. Moreover, the total incomes for households surveyed in each area are heavily concentrated in lower-income ranges. Although the official poverty line income for Peninsular Malaysia is MYR 510 per month/per household, the government also uses the income level of less than or equals MYR 1,200 for determining the low-income households that are eligible for assistance from government. Using this income level as a measure for Kuala Lumpur City, a total of 16.7 percent of households in all the three areas can be categorized as low-income group within which 2.0 percent can also be categorized as very poor (using the poverty line income of less than or equals MYR 600) (Table 1). The highest number of low-income households was found in Datuk Keramat (30.0 percent) followed by 20.0 percent in Sentul. But, the households that can be categorized as either low-income group or very poor were not found in Jinjang Utara. However, while using the income level of less than or equals MYR 1,500 as a measure for determining the number of low-income group in Kuala Lumpur City, a total of 36.0 percent of all the surveyed households can be categorised as low-income group. The highest number of low-income group of households was found in Datuk Keramat (46.0 percent) while their number was found to be the lowest in Sentul (26.0 percent). The second highest number of low-income group of households was found in Jinjang Utara (36.0 percent).

Respondents' Ethnic Group

Of all the respondents interviewed, 32.7 percent are Malay, 33.3 percent Chinese, 33.3 percent Indian and only 0.7 percent other (Table 1). Since the selection of three study areas was done with the view that an individual ethnic group should be dominant in an area and the percentage of respondents interviewed in each area should also be the same the 300 respondents in the present study have an over-representation of each ethnic group. However, the ethnic mix differs significantly among areas ($P < 0.01$), with both Chinese and Indian communities (100.0 percent each) by far the most dominant group in Jinjang Utara and Sentul respectively, and Malays (98.0 percent of respondents) the main group in Datuk Keramat.

Association Between Ethnic Group and Monthly Household Income

The association between ethnic group and monthly household income is statistically significant ($P < 0.01$) (Table 3). Malays generally report lower monthly incomes as 29.6 percent of households in ranges up to MYR 1,200, 45.0 percent in the range of MYR 1,201-2,000, 10.0 percent in the range of MYR 2,001-2,500, and only 15.0 percent are in the range of greater than MYR 2,500. No Chinese households reported having the total income of less than MYR 1,200, but their monthly total incomes (37.0 percent up to MYR 1,500, 46.0 percent up to MYR 2,000, and 17.0 percent in the range of greater than MYR 2,500) are slightly lesser than those for the Indians (45.0 percent up to MYR 2,000, 30.0 percent in the range of MYR 2,001-3,000, and 25.0 percent in the range of greater than MYR 3,000). The income ranges for Indian households are distributed across a wide span from lower up to the higher income ranges (20.0 percent of households' incomes are less than MYR 1,200 and 4.0 percent more than MYR 6,000).

Table 3: Association between Respondents' Ethnic Group and Monthly Household Income.

Range in Monthly Household Income	Ethnic Group				
	Malay	Chinese	Indian	Others	Total***
	Percent				
MYR (1 - 600)	3.1	0.0	3.0	0.0	2.0
MYR (601 - 1200)	26.5	0.0	17.0	50.0	14.7
MYR (1201 - 1500)	16.3	36.0	6.0	0.0	19.3
MYR (1501 - 2000)	28.6	47.0	19.0	0.0	31.3
MYR (2001 - 2500)	10.2	0.0	18.0	0.0	9.3
MYR (2501 - 3000)	6.1	7.0	12.0	0.0	8.3
MYR (3001 - 3500)	3.1	4.0	8.0	50.0	5.3
MYR (3501 - 4000)	2.0	0.0	6.0	0.0	2.7
MYR (4001 - 4500)	0.0	6.0	3.0	0.0	3.0
MYR (4501 - 5000)	2.0	0.0	2.0	0.0	1.3
MYR (5001 - 6000)	1.0	0.0	2.0	0.0	1.0
More than MYR 6000	1.0	0.0	4.0	0.0	1.7
Total	100.0	100.0	100.0	100.0	100.0

Note:

*** Indicate significant at $P < 0.01$ level.

Association between Ethnic Group and Education Level of Respondents

The association between ethnic group and education level of respondents is statistically significant ($P < 0.01$) (Table 4). Chinese respondents generally have an average lower level of education with 10.0 percent having no education, 42.0 percent primary school, 32.0 percent SRP/LCE, 10.0 percent SPM/MCE, 6.0 percent STPM/HSC, and no respondent reported having education level higher than STPM/HSC. More than fifty-three percent of Malay

respondents have an education level of between primary school and SRP/LCE, 27.6 percent SPM/MCE, and more than 14.0 percent between STPM/HSC and Diploma. As many as 52.0 percent of Indian households have an average education level of SRP/LCE or greater, 33.0 percent primary school, and 15.0 percent no education. It is further worth noting here that education levels of Higher Secondary Certificate (HSC) and Diploma in Malaysia are not very different, as Higher Secondary Certificate and Diploma need 12 and 12.5 years of schooling time respectively.

Table 4: Association between Ethnic Group and Highest Educational Qualification of Respondents.

Highest Educational Qualification	Respondents' Ethnic Group				
	Malay	Chinese	Indian	Others	Total ***
	Percent				
No Schooling	3.1	10.0	15.0	50.0	9.7
Primary School	23.5	42.0	33.0	0.0	32.7
SRP/LCE	29.6	32.0	25.0	0.0	28.7
SPM/MCE	27.6	10.0	20.0	0.0	19.0
STPM/HSC	5.1	6.0	0.0	0.0	3.7
Diploma	9.2	0.0	6.0	50.0	5.3
First Degree	2.0	0.0	1.0	0.0	1.0
Total	100.0	100.0	100.0	100.0	100.0

Note:

*** Indicate significant at $P < 0.01$ level.

Association between Respondents' Family Size and Income and Education

The average total number of household members is 5.86 with differences among areas in total household numbers statistically significant at " $P < 0.01$ " level (Table 5). Within the youngest and middle age groups comprising households, however, differences among areas are also statistically significant ($P < 0.01$). But, the differences involving the age group of 55 years or more within individual areas are not statistically significant ($P \geq 0.10$). The association between family size and monthly household income is statistically significant ($P < 0.01$), with an upright patterned relationship with income (Table 6). For example, households in the low levels of income ranges of less than or equals MYR 1,200 and MYR 1,201-1,500 are below average in size but, households in the all other income ranges indicate an increasing number of above-average in size.

Table 5: Size of Household and Age of Household Members within Ethnic Groups.

Age Group	Jinjang Utara	Sentul	Datuk Keramat	Total	
	Mean Number				
Number of children in the family aged below 14 years	2.83	1.54	1.89	2.09 ***	
Number of family members aged 15-54 years	3.10	3.94	2.95	3.33 ***	
Number of family members aged between 55 years or more	0.48	0.40	0.48	0.45 ^{NS}	
<i>Average Size</i>	6.41	5.89	5.28	5.86 ***	
Age Group	Ethnic Group				
	Malay	Chinese	Indian	Others	Total
	Mean Number				
Number of children in the family aged below 14 years	1.86	2.83	1.54	3.00	2.09 ***
Number of family members aged 15-54 years	2.95	3.10	3.94	3.00	3.33 ***
Number of family members aged between 55 years or more	0.46	0.48	0.40	1.00	0.45 ^{NS}
<i>Average Size</i>	5.25	6.41	5.89	7.0	5.86 ***

Note:

*** Indicate significant at P < 0.01 level.

NS Indicates not significant at P ≥ 0.10 level.

Table 6: Association between Family Size Measured in Discrete Terms and Monthly Household Income.

	Range in Monthly Household Income (In MYR)											
	≤1200	1201-1500	1501-2000	2001-2500	2501-3000	3001-3500	3501-4000	4001-4500	4501-5000	5001-6000	>6000	Total
Number of family members	4.44	5.25	6.17	6.21	6.04	8.06	6.50	6.44	7.50	6.00	8.00	5.86 ***

Note:

*** Indicate significant at P < 0.01 level.

Table 7: Association between Average Family Size Measured in Discrete Terms and Level

of Education of Respondents.

Level of Education	Family Size
No Schooling	6.6552
Primary School	5.3673
SRP/LCE	6.1977
SPM/MCE	5.9474
STPM/HSC	5.0909
Diploma	5.8750
First Degree	5.6667
Total	5.8600 **

Note:

** Indicate significant at $P < 0.05$ level.

Association between Type of House and Monthly Household Income and Education of Respondents

Of all respondents in the study, 60.0 percent were interviewed from squatters and 40.0 percent from low-cost flats. The determination of respondents being interviewed from squatters and low-cost flats was done purposively to cover a wide variety of low-income and poor communities. However, housing types covered in the survey differ not significantly among areas ($P \geq 0.10$), as the types of houses were also selected purposively using the same percentages of respondents interviewed from each study area. House type and monthly household income are significantly associated ($P < 0.05$) (Table 8). In addition, 37.0 percent low-cost flat households reported that they have the medium-average monthly income (which falls within the range of MYR 2,001-6,000) followed by the squatter households (27.4 percent in the same income range). House type and education level of household heads are also significantly associated ($P < 0.05$) (Table 9). For example, the household heads with an education level of SRP/LCE or less occupy 75.6 percent of squatter houses, while 64.2 percent low-cost flats have been reported to be occupied by the household heads having the same education level.

Table 8: Association between Type of House and Monthly Household Income.

Range in Monthly Household Income	Type of House		
	Squatter	Low-cost Flat	Total*
	Percent		
RM (1 - 600)	2.8	0.8	2.0
RM (601 - 1200)	16.1	12.5	14.7
RM (1201 - 1500)	22.8	14.2	19.3
RM (1501 - 2000)	30.0	33.3	31.3
RM (2001 - 2500)	10.0	8.3	9.3
RM (2501 - 3000)	7.8	9.2	8.3
RM (3001 - 3500)	3.3	8.3	5.3
RM (3501 - 4000)	1.1	5.0	2.7
RM (4001 - 4500)	3.9	1.7	3.0
RM (4501 - 5000)	1.1	1.7	1.3
RM (5001 - 6000)	0.0	2.5	1.0
More than RM 6000	1.1	2.5	1.7
Total	100.0	100.0	100.0

Note:

* Indicates significant at $P < 0.10$ level.

Table 9: Association between Type of House and Highest Educational Qualification of Respondents.

Highest Educational Qualification	Type of House		
	Squatter	Low-cost Flat	Total**
	Percent		
No Schooling	12.2	5.8	9.7
Primary School	36.7	26.7	32.7
SRP/LCE	26.7	31.7	28.7
SPM/MCE	17.2	21.7	19.0
STPM/HSC	4.4	2.5	3.7
Diploma	2.2	10.0	5.3
First Degree	0.6	1.7	1.0
Total	100.0	100.0	100.0

Note:

** Indicate significant at $P < 0.05$ level.

Respondents' Home Ownership Tenure

Sixty-one percent of all respondents live in owned homes and 36.0 percent in rented homes (Table 1). Percentages differ significantly among areas ($P < 0.01$), with the incidence of renting being greatest in Sentul (51.0 percent) followed by 45.0 percent in Datuk Keramat, and least in Jinjang Utara (12.0 percent). The incidence of home ownership is found to be highest in Jinjang Utara (88.0 percent) followed by 53.0 percent in Datuk Keramat and least in Sentul (42.0 percent).

Association Between Nature of Employment and Education Level of the Household Heads

The nature of employment and level of education of household heads are significantly related ($P < 0.01$) (Table 10). The two employment categories with the highest level of education are government servants (62.0 percent of household heads are having the education level of between primary school and SRP/LCE, 36.0 percent are above SRP/LCE, and 2.0 percent are below the primary school) and private employees (nearly 60.0 percent of household heads are having education level of between primary school and SRP/LCE, more than 33.0 percent are above SRP/LCE, and 7.0 percent are below the primary school). About 18.5 percent of household heads in retired category have an educational level of above SRP/LCE, 77.8 percent between primary school and SRP/LCE, and 3.7 percent with "no schooling". The distribution of household heads in other category is more than 17.0 percent above SRP/LCE, 50.0 percent between primary school and SRP/LCE, and 32.6 percent with "no schooling".

Table 10: Association between Nature of Employment and Highest Educational Qualification of Household Heads.

Highest Educational Qualification	Nature of Employment					
	Private Sector	Government Sector	Private Business	Retired	Others	Total ***
	Percent					
No Schooling	7.2	2.4	4.3	3.7	32.6	9.7
Primary School	33.3	16.7	29.8	63.0	30.4	32.7
SRP/LCE	26.1	45.2	38.3	14.8	19.6	28.7
SPM/MCE	22.5	31.0	8.5	14.8	10.9	19.0
STPM/HSC	2.2	2.4	14.9	0.0	0.0	3.7
Diploma	8.0	2.4	4.3	3.7	2.2	5.3
First Degree	0.7	0.0	0.0	0.0	4.3	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Note:

*** Indicate significant at $P < 0.01$ level.

Respondents' Work Status

Of all household heads interviewed, 82.7 percent are full-time workers and 17.3 percent are part-time workers. The numbers of full-time and part-time workers do not differ significantly among areas ($P \geq 0.10$), with the highest number of full-time workers (87.0 percent) in Datuk Keramat, followed by 81.0 percent in Sentul, and 80.0 percent in Jinjang Utara. The incidence of part-time workers is highest in number in Jinjang Utara (20.0 percent) followed by 19.0 percent in Sentul, and 13.0 percent in Datuk Keramat. Besides, more than 80.0 percent household heads are doing permanent work while 19.3 percent temporary job (Table 1).

Policy Implications And Concluding Comments

This empirical research has determined and analyzed the socio-economic indicators affecting the profile of the urban poor residing in the squatters and low-cost flats of Kuala Lumpur city, Malaysia. These factors, however, could guide us to recommend numerous policy implications, which would really play dynamic roles in building the quality of lifestyles for the urban poor, particularly the squatters and low-cost flat dwellers. It is expected that the policy implications of this study might be useful for the appropriate authority of the three study areas, i.e., Kuala Lumpur City Hall, which is locally known as *Dewan Bandaraya Kuala Lumpur (DBKL)*. Depending on the degree to which current socio-economic profile and cultural features of respondents in the three parliamentary areas are similar to those in other parliamentary areas, the policy implications might have a wider applicability.

This empirical study has been proven to be significant in terms of its inherent objective. Malaysia is the world's most fastest developing nation with the concurrent improvement of macro fundamentals and her own economic infrastructure. It has built a national vision of 2020 by which the country is determined to be enlisted among the developed nations. It is obvious that such a supreme goal needs serious orientation to improve the profile of the urban poor and low-income communities. Therefore, the following implications have been made to support the government in materializing its dream:

Education Goal

An increase in the education level of the urban poor is an important condition to increase their income and to improve their socio-economic profile. The government can take a pragmatic measure by setting up technical schools/colleges specifically to train the urban squatters and low-cost flat dwellers in scientific waste disposal systems, systems of cleanliness and house-keeping systems to create more employment opportunities in municipalities, hotels-motels, offices and restaurants.

Removal of Regional Disparity

The results of the study show that the respondents living in this area of Sentul enjoy better job and income earning opportunities (Table 1). It was observed in the study that the area of Sentul is closer to the city center and thus its residents enjoy urban city infrastructure and facilities. While the other two places are far away from the city center resulting in discrimination of development and income disparity. Removing regional disparity is an essence of modern development to create equitable income earning opportunities for the urban poor and low-income groups

Head of Household Registration and Development

The government could take up a head of household registration program for the urban poor and low-income communities to put them in governmental development programs including education, training, and employment opportunities as the income of the household heads has a positive and significant influence on socio-economic profile of a household. Therefore, creating better opportunities for the household heads under sophisticated governmental and private programs may bring a sustainable quality of lifestyles to these urban poor and low-income groups.

Family Size to Be Treated as Income Opportunities

The results of the study have proven that the association between family size and monthly household income is statistically significant ($P < 0.01$), with an upright patterned relationship with income (Table 6). The most interesting point of this empirical study is that this finding is evidenced against the general economic theory, which postulates an inverse relationship between household income level and family size that was described by the classical economists, such as, Malthus (1798) and later by neo-classical scholars such as Kuznets (1989).

Skill Development Issues

It is evidenced in the study that the age of the head of households has a significant and positive relationship to the household income level. It has exactly coincided with the already established economic theory that the older is the heads of households the greater will be their income earning capacity and hence higher income level. The government may nurture their skills further to provide them with skill development training, scientific measures and tools to use in the modern society in the areas of waste management system, methods of disinfections, systems to curbing contagious diseases, environmental protection programs, gardening, horticulture and agricultural projects, cleanliness and housekeeping programs etc.

4. Conclusion

In conclusion, poverty seems to be dangerous for a country not only in terms of incapacity of productive people but also the risk of environmental degradations. Human Settlements Program of International Institute for Environment and Development (IIED) writes in their briefing paper (2001) "at least 600 million of these (urban dwellers) have income and asset bases too low to cover the cost of essentials, and live in homes and neighborhoods with such poor quality, overcrowded housing and inadequate services that their lives and health are continually at risk".

It is reasonably expected that the poor could be rich and their socio-economic profile will then improve if rigorous attention is given on their needs.. Viewing the study area, Kuala Lumpur City Hall (DBKL), a government authority, has already taken some pragmatic measures to improve the socio-economic profile of the urban poor such as, resettlement of squatters in long houses and other programs. The program has successfully solved some of the health and socio-economic problems of squatter residents (Agus 1997). However, the findings of this empirical study would still be useful for the appropriate authority in their effort to take up several affirmative policies leading to improve the socio-economic profile of urban low income and poor communities. Income, education, training, living standards, health care, environmental protection, and other urban facilities must be improved in order to improve the socio-economic profile.

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