

## ASSESSING THE B40 HOUSING SATISFACTION OF PROGRAM PERUMAHAN RAKYAT IN JOHOR BAHRU

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Abstract: Malaysian government is always trying to make sure that the citizens, especially for those low-income citizens to have a comfortable and quality house. The housing satisfaction is an important indicator to give a quality house that will create a significant impact on the individual's quality of life. Therefore, this study attempted to identify the perimeters of housing satisfaction of the Program Perumahan Rakyat (PPR) housing scheme and further examine the relationship between socio-economics characteristics and residents' satisfaction. A crosssectional survey design was employed for the study, and structured questionnaires were distributed to the residents of PPR Johor Bahru. One hundred six data were analysed by Frequency Analysis, Relative Important Index and Chi-Square analysis. The study revealed that the surrounding economy, namely housing price, or rental price strongly influenced the housing satisfaction among PPR residents in Johor Bahru.

Keywords: B40 Income Group, Housing Satisfaction, Low-cost Housing, PPR

#### Introduction

The residence is an essential element of humanity. Residential use for various purposes, for example, shelter from all hazards and protect against weather changes. Therefore, the built house is significant to provide comfortable spaces for every individual. Additionally, adequate and safe residences will enable each individual to acquire healthy physical, psychological, social, and economic wellbeing. Recognizing this, the government actively promotes access to comfortable and quality residences and affordable housing for all citizens, especially those with low incomes, in urban and rural areas (Malaysia Quality Assurance Report, 2004).

The government is always concerned and strives to ensure that the country's economic growth can be enjoyed by all the people, especially the bottom 40% income earners (B40), to benefit from national development. Besides, the National Housing Policy's primary objective is to ensure that all the people, especially those with low income, can enjoy the quality and comfortable housing facilities (Sixth Malaysia Plan). The government's role not only to build quality housing but also to provide comfort to its residents (Packiam, 2008).



According to Jamaluddin (2001), most of the occupants of low-cost terrace houses in Taman Bersatu, Jitra, and Kedah did not feel satisfied with the kitchen area, quality of building materials, road conditions, ditches and drains, children's playground, telephone service, and garbage collection services.

The problem experienced by low-cost housing occupants has been around for a long time, but the relevant parties underestimate any action to rectify and address this problem. According to Tan (2012), the public and private sectors do not emphasize low-cost housing programs where there are various grievances and complaints about their quality and dissatisfaction with low-cost housing. There is no denying that the public and private sectors provide low-cost housing programs. However, the emphasis on quality and satisfaction of the population is still lacking, resulting in residents' dissatisfaction with the physical, environmental, and neighborhood quality of the housing.

Based on a previous study by Mohit, Ibrahim & Rashid (2010), the factors studied to measure housing satisfaction are the characteristics of residential units, support service units, public facilities, social environment, and neighborhood facilities. Tan (2012) studied the factors, namely structural aspects, neighborhood aspects, and location aspects. On the other hand, Sulaiman & Yahaya (1987) studied residential, service, and neighborhood facilities' characteristics. Mohit & Azim (2012) explore physical aspects, service, public facilities, social environment, and socio-economic factors. According to Huang & Du (2015), the study housing characteristics, public facilities, social environment, neighborhood aspects, and household characteristics.

There are deficiencies in previous studies where researchers tend to focus on the role of housing facilities in determining residential satisfaction at a particular city or region. Previous studies have only examined the impact of housing conditions on overall satisfaction. Moreover, this study examines the B40 housing satisfaction defined by socio-economic characteristics such as the number of households and income in specific housing affordable schemes, enabling our study to provide more specific conclusions for policymakers. Therefore, this study attempted to examine the perimeter that contributes to satisfaction in the context of low-cost housing by collecting questionnaire data from a sample of 106 respondents comprising residents of Program Perumahan Rakyat (PPR) housing scheme to provide a full picture of the extent of coverage of housing satisfaction dimensions.

### Literature Review

### **Housing Satisfaction**

Satisfaction is an essential indicator of the quality of life, a better life and happiness, and housing quality (Amole, 2008). According to Yahaya (1998), some previous researchers have expressed satisfaction with housing as an essential component, affecting the quality of life. This statement is supported by Salleh (2008), stating that housing satisfaction is an integral component of the individual's quality of life. Measuring this satisfaction can show the response of the occupants to the residential environment. Housing satisfaction can be described as a combination of five dimensions such as physical attributes, community and neighborhood, public facilities, economic climate, and internal physical attributes (Mohit, Ibrahim, & Rashid 2010; Tan 2012; Sulaiman & Yahaya 1987; Mohit & Azim 2012; Huang & Du 2015).



## **Low-Cost Housing**

According to Bujang et al. (2001), public housing or low-cost housing is government-provided housing for low-income families. Low-cost housing is an affordable housing example for low-income people in Malaysia. Because housing is essential to the people, the Malaysian government has taken the preliminary program to bring more low-cost housing schemes to improve the quality of life and create a comfortable and well-suited environment for low-income families (Hashim et al., 2012).

## **Program Perumahan Rakyat**

The People's Housing Program is a government program for the relocation of squatters and meeting the needs of housing for the lower-income group (B40). The National Housing Department, Ministry of Housing and Local Government, is the leading implementing agency for PPR projects throughout Malaysia. The PPR consists of 2 categories, namely PPR Rent and PPR Owned.

## **B40 Income Group**

Based on the Household Income and Expenditure Survey (HIES) 2014, the lowest 40% income group (B40 or Bottom 40) refers to households with an average monthly income below RM 3,860. The B40 household group also includes poor households with monthly income less than the poverty line (PGK) income. The National PGK value is RM 950 per month.

## **National Housing Policy**

According to Dato 'Ahmad bin Haji Kabit, the Secretary-General of the Ministry of Housing and Local Government, the National Housing Policy (DRN) was set up to outline the direction and to serve as the basis for planning and development of the federal, state, and local levels of housing. The DRN goal is to provide adequate, comfortable, quality, and affordable houses to improve the well-being of the people.

According to Harrisa and Arku (2007), over the last few decades, the challenge of housing policy in developing countries is to ensure that the basic needs are met and at a reasonable price for the majority of citizens. While the National Housing Policy has been enacted, it is a great challenge to achieve all goals and objectives, as stated in the policy.

## Method

A cross-sectional survey design (Creswell, 2003; Bethlehem, 1999) was employed for this study, and structured questionnaires was distributed to 118 residents of PPR schemes in Johor Bahru to get their feedback on housing satisfaction. The questionnaire used a 5-point satisfaction Likert scale to measure PPR's housing satisfaction (Pettet, 2003). Majid (1990) says that the Likert scale is chosen because it has a high degree of reliability.

Taro Yamane Formula was used to determine the sample (Yamane, 1976). Sampling is selecting a number of subjects from a population to be the respondents of the study. Thus, the minimum sample of the resident of PPR in Johor Bahru achieved was 106 with a population of 1,334,188 (Ismail, 2015) at a 90% confidence level, 8% confidence interval. Next, the data were analyzed by using Frequency analysis, Relative Important Index (RII), and Chi-Square test.



## Data Analysis and Interpretation Relative Important Index Analysis

Survey data were analysed using the RII to identifying the perimeter contributing to housing satisfaction of PPR residents in Johor Bahru. The surrounding economy (housing price/rent) perimeter is rated as very satisfied by the respondent with a total score of 4.29. While neighborhood and community (relations with neighbours), physical attributes (leisure facilities), public facilities (recreation), physical attributes (multipurpose hall), public facilities (places of worship), physical attributes (places of worship), internal physical attributes (places of worship), internal physical attributes (stairs), public facilities (recreation), and public facilities (shops/markets / supermarkets) were rated as satisfied by the respondents.

Further, public facilities (police office), physical attributes (design), public facilities (public transport services, i.e., taxis, buses), internal physical attributes (suspension room), public facilities (childcare centre) fall within the unsatisfied interval. In contrast, the perimeters that fall within the very unsatisfied interval is a physical attribute (house size), and a physical attribute (lift facilities) record the total score of 3.23 and 3.17, respectively.

## **Chi-square Analysis**

The Chi-square analysis was used to examine the relationship between housing satisfaction perimeters and socioeconomics of the PPR resident, such as the number of households and their household income. The Chi-Square method is used to determine whether there is a relationship between two variables.

According to Zaidatun and Mohd (2003), the Chi-Square analysis shows that the value between .00 and .05 is said to be significant. Majid (1990) states that significant levels are significant in this test as it is a statistical standard used as a basis for research and confidence at a level below .05 or 95 percent.

### Chi Square for PPR Housing Satisfaction based on Number of Household

The number of the household have significant relationships with seven parameters of housing satisfaction such as size (X2=21.885, p<.0005), parking facilities (X2=26.673, p<.005) leisure facilities (X2=27.498, p $\leq$ .001), multipurpose hall (X2=20.220, p<.05), neighbours (X2=17.444, p<.05), pre-school/school (X2=36.990, p $\leq$ .000), and recreational facilities (X2=14.582, p<.05).

Seven perimeters such as size, parking facilities, leisure space facilities, multipurpose halls, neighbors, pre-school/school, and recreation are important factors contributing to the satisfaction amongst the PPR households. Mohit et al. (2010) also found that seven perimeters, namely size, parking facilities, leisure space facilities, multipurpose halls, contact with neighbours, pre-school / school, and recreation, are significant on housing satisfaction.

# Chi Square Relationship Between Household Income with PPR Housing Satisfaction

Household income has significant relationships with nine perimeters of housing satisfaction, such as the size (X2 = 47.294, p<0.001), leisure space (X2 = 32.532, p≤.005), worship facilities (X2 = 33.706, p<.005), relationships with neighbours (X2 = 30.501, p<.05), pre-schools/schools (X2 = 28.349, p<.05), home/rent prices (X2 = 30.216, p<.05), distance to the city centre (X2 = 24.971, p≤.050), corridors (X2 = 27.731, p<.05) and stairs (X2 = 26.895, p<.05). These



parameters are vital for housing satisfaction. Nine parameters i.e., the size, leisure space facilities, places of worship, relationships with neighbours, pre-schools/schools, home/rent prices, distance to the city centre, corridors, and stairs, are important factors that contribute to housing satisfaction across income level of PPR household.

Previous studies conducted by Mohit and Azim (2012) and Sulaiman and Yahaya (1987) also found that nine perimeters of size, leisure space facilities, places of worship, contact with neighbours, pre-school/school, house/rental prices, distance to the city centre, corridors and stairs are significant on housing satisfaction. The residents are satisfied with the basic facilities provided as their income is just enough to own or occupy a low-cost house as PPR residents are the B40 income group.

## Conclusion

Home is a necessity in human life; thus, one will focus on their housing comfort and live in a good and safe environment. Therefore, developers must ensure that housing development, especially low-cost housing, has a good quality level and does not pose much of a problem for occupants. It is the developer's responsibility not to neglect the comfort factor of low-cost housing occupants so that the occupants feel satisfied with their residence despite occupying low-cost housing. This proves that the level of housing satisfaction plays a vital role in housing. Every individual needs a residential unit that is complete with the basic features to ensure their comfort to the residence no matter whether the housing is luxury, medium, or low-cost housing. The responsibility and cooperation of all parties are important to ensure that the National Housing Policy can be accomplished, and the rights of every citizen, especially the B40, are no longer neglected.

Furthermore, the limitations of this study may include external validity or generalization of the study. Research findings are statistically limited as they are produced in a limited sample population, although the reliability test in this study shows adequate reliability (Kirk and Miller, 1986). Generalization requires data on the broad classification of populations to provide the best basis for comprehensive generalization results (Hultsch, 2002).

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