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POVERTY, INCOME, AND EDUCATIONAL LEVEL: A CASE STUDY IN BERA DISTRICT, PAHANG, MALAYSIA

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ABSTRACT

Low levels of education and low income are often associated with communities located in rural areas. This is because rural communities have many constraints in obtaining education, employment opportunities, and earning a high income. This study aims to examine the factors that cause poverty in rural communities and investigate the socio-economic position and level of educational achievement of parents and children in rural communities in Bera District, Pahang, Malaysia. This study used a quantitative method for data collection. Questionnaires were administered to 100 respondents from the community living in the Bera district. Data obtained from respondents were analysed using Microsoft Excel and SPSS software through the Chi-square method. The study found that almost 51 percent of respondents agreed that the factors that drive poverty in rural families are the low education of household heads and the income earned by household heads based on their education level. In addition, a total of 59 respondents agreed with the issue of low education standards affecting the low level of income; 74 respondents agreed with the lack of employment opportunities in rural areas; and 59 respondents agreed that the education of the household heads makes it difficult for the children to get a good and higher education. As a result, the emphasis and opportunities on education, income, and employment opportunities, particularly in rural areas, must be increased more precisely.

Keywords: Family poverty, rural communities, primary education, income, employment opportunities

INTRODUCTION

Poverty remains a stubborn fact of life. Across the globe, rural populations are overwhelmingly poor. In developing countries, living in rural households increases the odds of being poor as opposed to urban counterparts. Statistically, Malaysia successfully reduced the poverty rate to 0.6% in 2014, and hardcore poverty is nearly eradicated. However, there still exists a small community of poor households that are still far from development and modernisation, especially in the less developed states such as Perlis, Kedah, Kelantan, Terengganu, Pahang, Sabah, and Sarawak. Pahang is one of the states in Malaysia based on agriculture, industry, and tourism activities. It should provide more opportunities to the communities to help poor households exit poverty. Based on the statistics provided by the Pahang Economic Planning Unit (EPU) in 2019, the poverty rate in Pahang was 4.3%.

Incidence of Poverty in Malaysia

Poverty refers to a state of deprivation faced by an individual or family to cope with the survival of daily life. According to the global definition, poverty is a difficult situation faced by an individual or family to meet the needs of human rights. Poverty is a phenomenon of deprivation, inadequacy, or instability experienced by every household (Siti Hadijah, 2012).

Poverty in Malaysia is measured in absolute and relative terms. Absolute poverty is measured in terms of income level, which is the Poverty Line Income (PLI). Under absolute poverty, there are two types of PLI. They are the food PLI and non-food PLI. According to the Department of Statistic's 2019 new methodology, the value of food PLI was RM1,169, and non-food PLI was RM1,038. Thus, the total PLI was RM2,208 (DOSM, 2020).

On the other hand, relative poverty is measured as a proportion of households earning income less than half the mean or median income. However, poverty should be a relative concept and not just constricted to income levels. When we discuss the poor, they should be considerably worse off than the majority of the population – a level of deprivation heavily out of line with the general living standards enjoyed by the majority of the population. That being said, the issue of poverty has yet to be fully addressed either globally or at the local level despite various efforts and strategies to eliminate it.

Table 1

Incidence of relative poverty in rural areas in Malaysia, 1995 – 2019

1995	1997	1999	2002	2004	2007	2009	2012	2014	2016	2019
17.4	17.6	17.0	16.1	14.9	12.7	13.1	15.1	14.4	33.0	33.2

Source: Household Income Estimates and Incidence Poverty 2020 (DOSM, 2021)

Hence, poverty in Malaysia should also be defined by the prevalence of social exclusion. The lack of regular access to basic services such as education, healthcare, nutrition, housing, water supply and sanitation is an important dimension of poverty (Jayasooria, 2016, Nor Faraini et al., 2016). This is especially predominant in rural communities, particularly Sabah, Sarawak, Pahang, Kedah, Kelantan, and Terengganu.

Therefore, this study aims to examine the factors that cause poverty in rural communities and investigate the socio-economic position and level of educational achievement of parents and children in Bera District, Pahang, Malaysia.

LITERATURE REVIEW

The definition of poverty is deprivation, lack of basic necessities, and very poor conditions. Meanwhile, education is a process of educating, guiding, forming, and nurturing. The income level received by households increases in tandem with the achievement of human capital. This is because the amount of income the household receives in rural areas is defined as what is received from the production of farming and agriculture.

Nor Diana et al. (2010) argued that households with a low socio-economic status could be described as having low levels of educational attainment, employment status, and small land holdings. Asan et al. (1999) stated that most household heads in the FELDA area have children who work outside the agricultural sector and provide monthly financial assistance to the head of the household. This is because most rural communities primarily focus on income from the agricultural sector they work in.

Marwan et al. (2012) stated that rural communities' education has become the focus of the government in the implementation of the Education Development Plan 2013-2025. Their study found that rural education is still lagging in quality due to factors such as lack of infrastructure, awareness of parents and students, information technology and telecommunications skills, socio-economic conditions, poverty, and quality of rural areas' educators. According to Zalika, Faridah, and Mohamad (2009), rural economic activities such as traditional agriculture offer low value to income. This contributes to low development and reduces competitive and high-level employment opportunities, decreasing household income.

According to Narimah S. et al. (2018), the issue of poverty can lead to low educational attainment and cause poverty to be passed on from parents to their children. This is because low parental education makes their children more likely to get a low level of education. The cause of poverty due to lack of education or having a low level of education has made it harder for the poor to escape the shackles of poverty and get better job opportunities in the agricultural sector (Aini Samani & Suriati Ghazali, 2018).

According to Zurina et al. (2018), the lack of education and low standard of education is the cause of the economic downturn of the household as well as a lack of permanent employment. A study by Siti Masayu (2009) found that poor families could not afford to provide adequate education to their children, causing a low level and low quality of education in the rural community. When families could not afford to send their children to school, the latter had to work to help earn additional income for their parents, affecting the children's education. The study found a correlation between a person's level of education and the income earned where the community in rural areas has a low socio-economic level, thus affecting the level of education and income earned by these poor rural households.

Based on the above facts, the focus of this study is to identify the socio-economic background and the factors of poverty in rural communities in Bera District, Pahang. Through this study, the researchers sought to understand the reality of rural poverty by identifying the factors causing poverty in Bera District, Pahang.

METHODOLOGY

This study used primary data obtained from a questionnaire using a random sampling technique with the selected respondents in Bera District, Pahang. One hundred respondents were selected from the List of Poor Families in the Bera district area. The method of analysis included descriptive statistics on the poverty, education, and income variables. Chi-square tests were conducted to examine the relationship between education level and income earned. Figure 1 shows the conceptual framework of this study.

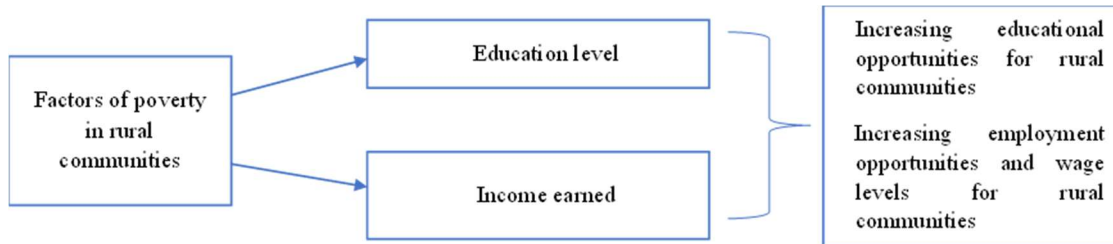


Figure 1. An example of a chart represented in a shaded pattern.

RESULT AND DISCUSSION

Demographic Profile

Table 2 summarises the demographic profile of the respondents. It shows that 61 respondents are between 20 and 30 years old, 20 respondents are between 31 and 40 years old, 10 respondents are between 41 and 50 years old, and 9 respondents are between 51 and 60 years. Regarding academic qualification, 22% had completed tertiary education, 37% had secondary education, 31% had primary education, and 4% had no formal education.

Table 2 also shows that 33 respondents work in the agriculture sector, 25 respondents are students, 21 work in the private sector, 8 respondents are factory operators, 8 respondents are hawkers, and 8 are housewives. Only 2 respondents work in the public sector. Meanwhile, 2 respondents do not work nor re looking for a job. The table also indicates that 41% of the respondents have a household size of 6 or more, 30% have a total of 5 family members, and 14% have a total of 4 family members. Meanwhile, 8, 5, and 2 have a household size of 3, 2, and 1, respectively.

As for household income, 58% earned between RM1000 and RM2000 per month, while 28% earned between RM2001 and RM3001 per month. Nine percent had an income of between RM3001 and RM4000 per month, and 5% had an income of RM4000 and above. These findings indicate that based on the sample of rural communities in Bera District, almost 95% were in the B40 income group.

Table 2
Demographic profile of rural communities in Bera District

	ITEMS	n
Age	20-30 years	61
	31-40 years	20
	41-50 years	10
	51-60 years	9

Education Level	None – illiterate	2
	None – literate	2
	Primary secondary school/PMR/SRP	31
	High school/SPM	37
	College/STPM	14
	Diploma	8
	Others	6
Occupation	Agriculture	33
	Public sector	2
	Private sector	21
	Factory operator	8
	General labour	0
	Hawker	8
	Student	25
	Housewife	8
	Not working/looking for work	2
	Others	1
Household Size	1	2
	2	5
	3	8
	4	14
	5	30
	6 persons and above	41
Total Income (RM)	1000-2000	58
	2001-3000	28
	3001-4000	9
	4001 and above	5

Relationship between Education and Income Level

Table 3 shows a significant difference between education level and income distribution. The finding of this study is in line with a study conducted by Narimah et al. (2018), who found that poverty could lead to low educational attainment and cause poverty to be passed on from parents to their children. Zurina et al. (2018) also found that the absence of education and low standard of education cause an economic downturn in the household as well as poverty due to the absence of a permanent job. Therefore, the finding obtained clearly shows that the low education of the household affects the poverty of rural communities.

Table 3

Result of the chi-square analysis for the relationship between education and income level

Chi-Square	36.260a
df	2
Asymp. Sig.	0.000

CONCLUSION

This study examines the socio-economic background, the level of education, and factors that drive poverty in rural communities in Bera District, Pahang. The authors propose that the government emphasise education, income, and employment opportunities, particularly in rural areas, to develop the communities in rural areas and improve their standard of living. By reducing poverty, the well-being of rural communities will be indirectly improved, and they will not be left behind in national development.

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