

CHAPTER 5

SUMMARY AND CONCLUSION

5.1 SUMMARY AND DISCUSSION

In Malaysia, data and studies on women in poverty are rather limited. Government programs and policies to alleviate poverty mostly focus on households, often headed by men. Largely also because of existing gender hierarchies and patterns of subordination, poverty is not evenly distributed across household members. Hence, poverty conditions affecting women are different from men; women may face worse situations compared to men. Furthermore, women have longer life span compared to men, hence they often outlive their spouses. Consequently, a higher proportion of aging persons are likely to be women. In part, due to low educational attainment and income/savings, many may face poverty. With the aging of the population, poverty issues may become critical issues of old age.

Women face more obstacles and challenges compared to men due to limitation of access to resources. Women's important roles and contributions are often overlooked and ignored, and transparent to many. Hence, government alleviation poverty programs more often than not do not improve women's standard of living and integrate them into mainstream development.

This study utilized an alternative strategy of focusing on some key areas of women in poverty, which are directly amenable for policies and programs. The key areas are education, training, employment, health, food security, nutrition, access to assets and credit, participation in household decision making and existing support system. The data presented in this study also provide baseline information on women in poverty.

The data for this study were from a survey conducted in a rural and a urban area (Tan and Ng, 1997 for details). These two areas were identified by the Ministry of Rural Development Malaysia as containing some of the poorest households. A total of 211 female respondents and 180 male respondents were interviewed from 201 selected households. These 201 households are selected from 4 types of households; female-headed, male-headed, female-maintained (male head is not a usual member) and female-maintained (male head is usual member but contributes less than 50 per cent of household maintenance).

The findings of each of the key areas will be discussed, highlighting the main conclusion. A multivariate model is then attempted to see whether any of the identified key areas are closely linked to the traditional poverty measure based on income. The last section highlights the main implications for policies and programs.

5.1.1 Education and Training

Literacy is determined by the respondents themselves. The findings of the survey show that about one fourth of female respondents are illiterate. More urban women are literate compared to their rural counterparts; some one third of female respondents in the rural areas are illiterate. Literacy is higher amongst the younger age groups. Hence, access to education has also filtered down to the poorer segments of society including the females, such that literacy level is much higher amongst the young.

Despite this, educational attainment for the females in poverty is generally low compared to the males. The majority of them have attended only up to primary level and none of them have reached the tertiary level. For male respondents, the majority have attended to primary level and a few of them have attained university education. For both males and females, educational level in the urban is higher than in rural areas.

More than 80.0 per cent of illiterate female respondents mention that their reasons for not attending school are school is too expensive; or too far away and parents do not believe education is important. Hence, poverty condition may accentuate the disparity in education of females compared to males.

Nevertheless, educational attainment for the majority of female respondents are the same or higher than their parents. The disparity in education between males and females will decline over time as more and more importance is placed on education.

Data from this study indicates that the majority of female respondents perceived that they have not received sufficient schooling. They expressed a preference for their children (boys or girls) to further their study up to tertiary level. There is therefore equal educational opportunities for male and female children.

Skills training is not popular among the poor in this study. Female respondents are more keen to attend skills training compared to the male respondents. Rural more than urban females attended skills training; 27.1 per cent of them have attended skills training. On the other hand, rural male respondents show very little interest in attending skills training. One reason may be due to the fact that the majority of respondents think that the training received is not going to help them generate more income. Hence, the government should modify existing training programs to suit the needs of men and women in poverty. There should be an emphasis on skills training in the urban areas as there is currently not many opportunities.

5.1.2 Employment

It is found that more males than females worked at least an hour on any day last week. Amongst the groups, urban female respondents showed the lowest population who worked. The majority of rural respondents were self-employed who were involved in the agricultural industries while the majority of urban respondents were employees who were engaged in manufacturing, construction and service. Some 52.9 per cent of urban females and 30.8 per cent of rural females were not working. Rural residents and urban

females were more likely to be involved in the informal sectors and seasonal activities compared to urban males. Women contribute significantly to household maintenance.

5.1.3 Food Security, Nutrition and Health

Generally, almost all respondents do not face food shortage problems in the last one year and they had three adequate meals everyday. The majority of the respondents consumed special foods such as chicken/meat, fish/seafood, rice/cereal, vegetables/fruits and others one or more times a week. Due in part to differences in types of food regularly consumed, rural women are more likely to report consuming special food compared to their urban counterparts. With continuous economic growth, food security and nutritional status should maintain and improve.

The health status of the female respondents is considered moderate. About 70.0 per cent of them are in good health and they have never faced any chronic health problem. Urban females reported some 31.0 per cent of them suffered chronic health problems compared to 13.0 per cent of urban male respondents. The majority of respondents prefer to seek treatment from government hospitals or clinics if they were ill or sick. This may due to lower medical fees compared to private medical facilities and also easier to access to government service. Hence, there are serious implications to the privatization of government hospital service.

Female respondents with lower education showed a higher proportion suffer from chronic health problems. For example, about 31.0 per cent of the females who are illiterate or with primary or religious education suffer chronic health problems compared to about 16.0 per cent of those with lower secondary education and above. Hence, raising education and income is likely to improve health status.

5.1.4 Access to Assets and Credit

It is found that access and ownership of assets for men is higher than women in poverty. For example, for high value assets, such as house/land, about 80.0 per cent of rural male respondents have these assets compared to 40.0 per cent of rural female respondents. This in part is due to gender discrimination of inheritance of assets, which are passed down to sons. Hence, women in poverty would find it harder to escape from their deprived situation compared to men.

Loans and credit facilities are not popular among men and women in poverty; only a small proportion of the respondents have taken loans or credit facilities during the last one year. This may in part is due to the poor not having access to credit facilities. Rural female respondents are more likely to have taken up loan facilities compared to other groups. For example, some 15.0 per cent of rural female respondents have taken a loan compared to only 3.8 per cent of their urban counterparts. The majority of loans received by rural female respondents are in the range of RM1,000.00 and below and none of them received a big loan.

5.1.5 Participation in Household Decision-Making and Support System

Generally, both males and females in this sample consult their families when making major decisions. Major decisions include selling and buying of expensive items. However, a lower percentage of women than men have the liberty to purchase or sell any assets without the consent or knowledge of their family members; 20.0 per cent for females compared to 35.0 per cent for men. When spending their own money, a relatively higher percentage of both men and women have likely and need not have to consult family members.

Amongst the poor, decisions on various household matters seem to be jointly made with family members. There is not much difference across gender or place of residence. However, more urban than rural female respondents make decisions on various matters without the consent or knowledge of other members in the family. This is part may be due to educational differences.

Some 30.0 per cent of the respondents reported encountering major unforeseen problems during the last one year; gender differences are minimal. The three most common problems reported are health problem/sickness, financial problem and natural calamity.

Only a few of the women in poverty faced any major crisis in the last one year. When they encountered problems, women in poverty would ask for help and support

from family members, namely spouse, children, parents and siblings. Family members usually support each other when in trouble. Hence, it is necessary to maintain and strengthen family ties.

There seems to insufficient institutional support available, especially for urban females with less than 5.0 per cent of them receiving any support. Rural poor males show the highest percentage with such institutional support, in part due to government poverty eradication programs in the rural areas. Hence, there is a need for such poverty eradication programs to be extended to women, especially those in urban areas.

Generally, women in poverty receive more support in cash or kind from family members than men. Rural women receive more of such support than urban members. In term, a higher percentage of male respondents have to provide financial aid or support to family members compared to female respondents.

5.1.6 Multivariate Analysis

In this section, a model is attempted to see whether indeed the key areas identified are superior to the traditional approach of merely utilizing income as a measure of poverty for women. A multivariate approach will enable the simultaneous control of other important explanatory variables. In this way, the conclusions and implications for policies and programs on poverty will be more clearly spelt out.

The dependent variable in the model is the traditional measure of poverty based on income. As the current data set has the joint income of husband and wife or individual female income for single, divorced and widowed women, this income is used in relation to the poverty line. A couple or a female with income of RM4200.00 per annum (RM350.00 x 12 months) or more is considered above the poverty line. Those with less than RM4200.00 per annum is considered to be below the poverty line. Besides the five key areas, background variables such as ethnicity, place of residence and age of the women are introduced into the model. As the dependent variable has only two categories, logistic regression is used to estimate the effects. The dependent variable is defined as follow:

POVERTY is coded '1' if the combined income of the couple or the female is equal to or more than RM4200.00 per annum, '0' otherwise.

The explanatory variables in the estimated model are defined as follows:

ETHNIC is coded '1' for Malays, '0' otherwise.

RESIDENCE is '1' for respondents staying in the urban areas, '0' otherwise.

AGE is coded '1' if the respondent is age 40 years and below, '0' otherwise.

LITERATE is coded '1' if respondent is literate, '0' otherwise.

WORK is coded '1' for respondents who worked for pay for at least one hour on any day last week, '0' otherwise.

HEALTH is coded '1' if respondents have been ill the last six month, '0' otherwise.

OWN is coded '1' if respondents own house/land of value RM5000.00 and above, '0' otherwise.

SPEND is coded '1' if the respondent is able to make independent decision on spending her own money, '0' otherwise.

SUPPORT is coded '1' if respondent receives institutional or familial support, '0' otherwise.

The results of the logistic regression on poverty status is as the following:

$$P(POVERTY = 1) = \frac{1}{1 + e^{-z}}$$

Where

$$\begin{aligned} Z = & -1.2812 - 0.0753\text{ETHNIC} + 1.4092\text{LOCATION}^* + 0.1885\text{AGE} \\ & (0.9898) (0.3699) \quad (0.3764) \quad (0.4036) \\ & + 0.9373\text{LITERATE}^* + 0.5656\text{WORK} - 0.3603\text{HEALTH} + 0.0299\text{OWN} \\ & (0.3939) \quad (0.3530) \quad (0.3508) \quad (0.3871) \\ & - 0.0602\text{SPEND} + 0.4990\text{SUPPORT} \\ & (0.3307) \quad (0.7959) \end{aligned}$$

*Significant at 5 per cent level.

The Model Chi-Square value of 32.145 is significant at 5 per cent level, implying that the coefficients for all the terms in the model are significantly different from zero. The Goodness of Fit test is 200.260 which is not significant at 1 per cent level, which shows that the model fits the data well.

The coefficients of the variables seems to be correct and according to expectation. For example, the variable ETHNIC has a negative coefficient indicating that the Malays are more likely to be in poverty compared with the non-Malay group. There is, however, no significant difference across the groups holding other variables constant. Place of residence, LOCATION, has a positive coefficient, indicating that urban females are less likely than rural females to be in poverty, *ceteris paribus*. This variable is significant at the 5.0 per cent level, in part reflecting highest cost of living in the urban area.

AGE is positively correlated with income level, showing that females age 40 years and below are less likely to be in poverty, taking into account other variables.

The variable LITERACY is also positively correlated with income level, indicating that the literate are less likely to be in poverty. Controlling for other variables, this variable is significant at 5.0 per cent level, indicating the importance of education in alleviating poverty.

Work situation of females, WORK, has a positive coefficient, indicating that those who work are more likely to be above poverty level, taking into account other variables.

HEALTH has a negative coefficient, indicating that those females who have been ill during the last six months are less likely to have annual income of RM4200.00 or more, taking into account other variables.

The variable OWN has a positive coefficient, which shows that females who own house/land value of RM5000.00 and above are likely to have annual income of RM4200.00 or more, holding other variables constant.

SPEND is found to have a negative coefficient, implying that females in poverty are more likely to be able to make independent decisions on spending their own money. Perhaps, with limited resources, there is little need for discussion on expenditures.

Lastly, SUPPORT has a positive coefficient, indicating that poorer females have less access to institutional and familial support, holding other variables constant. Although this variable is not significant at 5.0 per cent level, it indicates the dire need of providing and making available a support system in the community especially for women in poverty.

The result of this model indicates that income is a poor measure of poverty condition of women. Besides literacy status and place of residence, other key indicators are not significant by correlated with the traditional measure of poverty based on income. This means that women under poverty conditions would more often than not, not to be identified as deserving policy and program attention. In particular, urban poor women would rarely qualify for attention due to the higher cost of living in urban areas and hence higher income. Furthermore, non-monetary returns are higher in the rural than urban areas (see Tan and Ng, 1997), and hence urban poor women may indeed be much worse off than those living in the rural areas.

5.2 POLICY IMPLICATIONS

Women in poverty have generally low educational attainment. Low educational attainment has resulted in them being largely engaged in the informal sector which are lowly paid. Hence, women in poverty require special educational policy and program to focus on them. This special educational program might be a special non-formal education which would improve their knowledge and provide information to them in

order for them to have access to more lucrative jobs. It would also enable them to break away from poverty and educate their children on the importance of education. Hence, the government may conduct night school for these women using the existing school facilities. Government and other educational funds should focus on the poor children especially with the rising educational costs, to avoid them from dropping out of school and ending up with low educational attainment.

Skills training is another area which could assist women in poverty to become more productive and efficient. They indicated that current skills training programs do not help to improve their financial position. Hence, current skills training programs should be revamped to cater to the immediate needs of these women. This program should gear toward improving skills, self-confidence as well as providing them with the relevant information. In the rural area, training programs on agricultural productivity should involve women working in the sector. As for the urban area, courses in business entrepreneurship would help women run small businesses.

Most financial institutions do not offer credit facilities to women in poverty due to the high risk of non-repayment. Hence, the government has to set up special financial institutions or expend on existing ones to provide special facilities for this group of women to have access to credit. They could also be taught ways of contributing to compulsory saving schemes that will provide financial protection for themselves in the long term and in the future.

There is also a need to channel information of support services from the public, private and non-governmental organizations to those in need. For various reasons, such as poor educational background, and a need for outreach programs to the various groups living in poverty.

While food security, nutritional and health status for women in poverty is found to be satisfactory in this study, there is a need for a special focus to ensure that no group is becoming increasingly deprived. For example, there is a need to ensure that health and medical facilities are easily accessible in terms of distance and cost to women in poverty. With rising of medical cost, perhaps some medical specialties are beyond the reach of the very poor since they are only available in the private hospitals.

There is clearly a need for more extensive research on women in poverty. Women in this group require quite different type of support from men and there should be a support system comprising government, private and non-governmental organizations to help them. To enable the issues affecting poor women to be identified, the government should utilize some of the key areas identified in this study. In this way too, many of the areas of intervention would provide direct assistance to those in need. The urban areas also need a special focus, and perhaps this can be done through a smart partnership of all agencies. It is high time that all agencies realize that resources are limited and begin to specialize in their areas and share information and network with one another. By doing so, everyone will benefit and no group will be left deprived.