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# Student's Awareness and Perception of B40 Income Group Empowerment Program

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**Abstract:** B40 income group empowerment is one of the initiatives taken by the Malaysian government to improve the people's wellbeing. Various policies and program have implemented for the purpose. This study aims to examine students' awareness and perception of government's B40 empowerment efforts. Primary data are collected from 596 students from secondary school and higher education to reveal students' awareness of B40 and their perception of B40 empowerment. Binary logistic regression and ordinal logistic regression are applied to investigate further factors that affect students' awareness and perception. Finding shows that majority of respondents were aware on government's effort while the results of binary logistic regression show that diploma students were more likely to aware on government effort compared to form 6 students; T20 students were less aware on government's effort. The finding also shows that less than one-third of the respondents agreed that the government's efforts are effective. The ordinal regression analysis confirms that students' perception was not affected by gender, education level, study field and income group. The findings of this study provide an overview of the government on their B40 empowerment effort. Awareness of the effort should be increased so that more people can benefit from the effort.

**Keywords:** B40 Group, Student's Awareness, Perception, Empowerment Policies

**JEL Classification:** I3, O10, O38

**Paper Type:** Research

## 1. INTRODUCTION

Eradicating poverty in all its forms is one of the greatest challenges facing by all nations. United Nation (UN) launched the Sustainable Development Goals (SDGs), also known as the Global Goals in 2015. It is a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. No poverty is the first goal among the 17 goals, aiming at ending poverty in all forms and dimensions by 2030.

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According to the UN's statistics, one in ten people is extremely poor, and 80 percent of people living on less than \$1.90 per day are in south Asia and sub-Saharan Africa. The Sustainable Development Goals (SDGs) are not legally binding as countries are expected to take ownership and establish their own national framework to achieve the goals. Implementation and success will rely on countries' own sustainable development policies and plans. In order to achieve the goals, cities or local governments, the private sector and civil society — will have a role in making progress on SDGs through their own actions, by forming multi-stakeholder partnerships and in pushing national governments and each other to lead.

Malaysia, as a middle-income country and emerging economies, has started its journey towards sustainable development in the 1970s, when the New Economic Policy (NEP) to eradicate poverty and restructure societal imbalances was launched. All subsequent five-year national development plans have underscored the elements of sustainable development, encompassing sustainable economic growth; growth with equitable distribution to all sections of society; balanced development; access to basic infrastructure and utilities; access to education and healthcare services; and mainstreaming of environmental conservation. In 2009, Malaysia formulated the New Economic Model (NEM), which further cemented its commitment to pursue sustainable development based on three goals, namely, high income, inclusivity and sustainability. The NEM provides the basis for Malaysia's development plans until 2020. The current plan, the Eleventh Malaysia Plan 2016–2020 (11MP), is thus premised on the three goals of NEM. The 11MP theme is “Anchoring Growth on People,” where people are the focus of all development efforts, complemented by ensuring that no section of society is left behind in participating and benefiting from the nation's development. In other words, the 11MP is aligned to most of the global Sustainable Development Goals (SDGs). According to Malaysia Sustainable Development Goals Voluntary National Review 2017, absolute poverty had reduced from 49.3% in 1970 to 0.6% in 2014. The latest figure was 0.4% in 2016, according to the statistic from the Department of Statistic Malaysia (DOSM). This shows the effectiveness of the Malaysian government on eradicating poverty among the people.

Malaysia's national poverty line is RM 980 per household per month. Besides that, Malaysians are categorised into three different income groups, namely B40, M40 and T20. They represent percentages of the country's population of bottom 40%, middle 40%, and top 20% respectively. The values may increase or decrease year-to-year, depending on the country's GDP; therefore, the median household income is used as the determinant instead. Currently, the B40 group refers to the household which income RM 3,860 or less while the M40 segment is defined as households with monthly income ranging from RM 3,860 to RM 8,319. According to Report of Household Income and Basic Amenities Survey (2016), median monthly household income for Malaysian increased to RM 5,228 in 2016 compared to RM 4,585 in 2014 with a growth rate of 6.6 per cent per annum at nominal value. Whereas for B40 group, median monthly income increased from RM 2,629 in 2014 to RM 3,000 in 2016. This shows the fruitful effort of the Malaysian government on addressing the B40 issue. In fact, one of the six game-changer in The Eleventh Malaysia Plan is uplifting B40 households towards a middle-class society to ensure households in the Bottom 40 income group will not miss out on the opportunities that come with national prosperity. After the event of changing government in May 2018, the new government comes out with new priorities and emphases for the year 2018-2020. One of those is enhancing inclusiveness towards an equitable society, targeting on uplifting B40 households towards a middle-class society.

Students are the group of young generation which will soon be entering the job market and building their career and family. They are also income earner in future, thus making

them part of the economic income group. Furthermore, a fresh graduate from high school and higher education are most likely to earn less than RM 3860 and thus making them part of the B40 group, especially if they are the sole earner in the family. It is important for the students to aware of the government's effort on empowering B40 group. Besides, the study on student's awareness could be a measurement of the effectiveness of the government's effort. Furthermore, they are the new voter in the general election which making their opinions and perception counts. Thus, this study aims to 1) examine students' awareness of the government's effort and 2) students' perception of government's B40 empowerment efforts. The organization of this article is as follow: the second part discusses some previous related studies; part three discusses the methodology; part four reports and discuss the findings, and the last part concludes.

## **2. LITERATURE REVIEW**

Students are a group of the young generation who are in the process of learning academic knowledge and real-life experience in the learning institution. They have a different perspective view on current social issues, and some of them able to provide a new and innovative view on certain issues. One of the studies on student's perception was done by Anis Yusal and Zarina (2017). Their study showed that 73.1 percent of students in higher education agreed that corruption is increasing in Malaysia and thus indicating efforts done by the government are not yet effective. Another study done was by Junaidi Awang Besar et al. (2012) on youth perception on a political issue and government policy. The result showed that 82.3 percent of respondents said the Key Performance Indicator (KPI) for all elected representatives and the Minister is good and influence public support for the government and the changes made by the leadership of Prime Minister in leading the development of the country continue to support youth (73.9 percent). Besides, 74.2 percent of respondents stated that the country's leadership must be maintained because the results have been very good. This indicates youth do monitor and evaluate government's performance and policies.

Some previous studies focus on social issues. Farahwahida and Norazila (2011) investigate students' perceptions towards free sexual practice among fourth-year students of Faculty of Education, University Technology of Malaysia. They identified students' perception towards the steps need to be taken to overcome free sexual practice among IPTA students, as well as the factors which lead to the problem. Their result shows that students' perception towards free sexual practice is high with mean 4.69. On the other hand, the mean of the students' perception towards the steps needs to be taken to overcome the problem is moderate, which is 3.34. Meanwhile, the main factors which lead to free sexual practice are mass media with mean 3.96. Razli Ahmad et al. (2013) gauged awareness level among Students in The Malaysian Technical University Network (MTUN) on the issues of unity. Again, the result shows that students in higher education show high awareness and understanding of unity issues. Noor Azam et al. (2017) attempted to identify the perception of Malay students in Universiti Tenaga Nasional (UNITEN) on Javanese writing skill as one of the symbols of Malay identity, and the importance of Jawi writing as a symbol of Malay Muslim.

Siti Zulaikha Zolkeplee et al. (2018) examined the relationship of anxiety, parental influence, media awareness, and religiosity on student's perception of educational loan repayment using the survey approach. The result implied that the Ministry of Education might design the syllabus in school and university curricular by adding the value of responsibility in loan repayment, especially in religious and moral subjects. Besides, the Ministry Education of Malaysia is also urged to use media to disseminate the information regarding the importance for students to make a loan repayment to parents as well as

students. Mohd Sani et al. (2010) examine the perceptions of students of Universiti Utara Malaysia on the Internal Security Act (ISA) of Malaysia also using a questionnaire. They concluded that students agree that the government should take into consideration critics by the non-governmental organizations as well as societal grievances. Students' perception towards Goods and Services Tax (GST) when it was introduced in 2015 was examined by Nor Iza et al. (2015). The result shows that the majority of the students disagree with the methods taken to implement the GST. Student's level of knowledge, understanding, acceptance and perception among the students of Public Higher Education Institutions towards the Malays in the Federal Constitution within the context of an ethnic relationship in Malaysia show that the level of knowledge, understanding and acceptance of the students towards the Malays in the constitution is generally high. The same goes to the students' perception towards the Malays in the Federal Constitution in which they accept the fact that the position of the Malays is better than the non-Malays, the privileges enjoyed by the Malays have improved their standard of living, and the use of quotas in government policies needs to be maintained (Nazri Muslim et al., 2012).

A review of previous studies confirmed that students' perception of certain government's policies and some social issue had been commonly done. Students do observe and evaluate the government's policy, and they also have their opinion on it. Thus, it is an appropriate and necessary action to study on government's effort on uplifting B40 income group. As far as our knowledge, the study on the issue is limited, thus making this study an important one.

### **3. DATA AND METHODOLOGY**

This study applied primary data obtained through field survey at different universities and high school in Klang Valley. The sample was made by means of cluster sampling to reduce cost and improve efficiency. Cluster sampling refers to a sampling method wherein the members of the population are selected randomly from naturally occurring groups. A set of questionnaire was developed to achieve the objectives of the study. The questionnaire consists of two parts. Part 1 relates to the demographic information of respondents, and Part II relates to students' perception towards B40 empowerment effort initiated by the government. Information can be effectively obtained from respondents through the questionnaire (Tuckman, 1999). Students in Klang Valley are chosen as they come from different states and background nationwide, thus reflects the population of Malaysia and providing more accurate data for the study. Five hundred ninety-six respondents involved in this study. Data obtained was then analysed using Statistical Package for the Social Science (SPSS) version 23.

For analysis purpose, binary logit regression will be adopted to examine factors determining students' awareness significantly. Binary logistic regression is the statistical technique used to predict the relationship between predictors independent variables) and a predicted variable (dependent variable) where the dependent variable is binary (yes or no in this study). Besides, ordinal regression method will be adopted to examine students' perception on the effectiveness of the government's efforts. Ordinal logistic regression problems are those machine learning problems where the objective is to classify patterns using a categorical scale which shows a natural order between the labels (Gutiérrez et al., 2016). The dependent variable is the order response category variable (in this study: yes; not sure; no), and the independent variable may be categorical or continuous. The independent variables for both binary logistic regression and ordinal logistic regression are gender, race, household income group, field of study and education level.

#### 4. RESULT AND DISCUSSION

Descriptive statistics will help in describing or summarizing the data that has been collected (Chua, 2012). In this study, a total of 596 students answered the questionnaires. The frequency distributions are analyzed for respondents' gender, race, level of education, household income group and field of study, as shown in Table 1. According to Table 1, from a total of 596 respondents, a total of 224 (37.6%) are male students, while a total of 372 are female students (62.4%). Majority of respondents were Malays (86.4%), followed by Chinese 36 persons (6.0%), Indian 23 persons (3.9%) and others ethnic, including from Sabah and Sarawak 22 persons (3.7%). Besides, it was found that majority of the respondents, which is 265 (32.2) have come from B40 household income group, 143 persons (24%) from M40 income group and 188 persons (31.5%) from T20 income group. Among respondents from B40 group, 73 (12.2% of total respondents) fell into the poverty group. Majority of the respondents were in the social science field, the number of 435 persons (73%) was recorded, while the rest 161 persons (27%) were from the science field. In terms of education level, 256 respondents (43%) pursuing a degree, 168 persons (28.2%) pursuing diploma, 32 persons (5.4%) pursuing matriculation level, 24 persons and 96 persons were in Form 6 and Form 5 respectively.

**Table 1.** Respondent background

<b>Profile (n = 596)</b>	<b>Number</b>	<b>Percentage (%)</b>
<b>Gender</b>		
Male	224	37.6
Female	372	62.4
<b>Race</b>		
Malay	515	86.4
Chinese	36	6.0
Indian	23	3.9
Others	22	3.7
<b>Household Income</b>		
B40	265	32.2
M40	143	24.0
T20	188	31.5
<b>Field of Study</b>		
Science	161	27.0
Social Science	435	73.0
<b>Education Level</b>		
Diploma	168	28.2
Matriculation	32	5.4
Degree	256	43.0
Master	20	3.4
Form 6	24	4.0
Form 5	96	16.1

Table 2 shows students' awareness on government's effort on uplifting B40 income group. Results show that the majority of respondents, 521 persons (87.4%) aware of the government's effort, 75 persons (12.6%) do not. Among the unaware students, 88 percent were Malay; 50.6 percent were from B40 group and 62.6 percent from social science field. The results of binary logistic regression are reported in Table 3. According to the table, gender and race were not affecting students' awareness significantly. In relation to education level, diploma students were seven times more likely to aware of government effort compared to form 6 students. Besides, students in B40 group were nine times more likely aware of government effort compared to students in the T20 group. In addition,

students in the M40 group were 15 times more likely to aware of government efforts than students in the T20 group. Science students were 1.8 times more likely to aware of government effort compared to social science students.

**Table 2.** Students awareness on government's effort

<b>Parameters</b>	<b>Yes</b>	<b>No</b>
<b>Genders</b>		
Male	191	33
Female	330	42
Total	521	75
<b>Race</b>		
Malay	449	66 (88.0%)
Chinese	31	5
Indian	22	1
Others	19	3
Total	521	75
<b>Household Income</b>		
B40	227	38 (50.6%)
M40	110	33
T20	184	4
Total	521	75
<b>Field of Study</b>		
Science	133	28
Social Science	388	47 (62.6%)
Total	521	75
<b>Education Level</b>		
Diploma	141	27
Matriculation	31	1
Master	18	2
Degree	232	24
Form 6	23	1
Form 5	76	20
Total	521	75

Next, Table 4 shows that out of 596 respondents, only 172 persons (28.9%) agree that government's efforts are effective; 307 persons (51.5%) not sure about it and 117 persons (19.6%) do not agree. Only 30.6 percent of the B40 respondents agree that government's effort is effective. The results of ordinal logistic regression are then displayed in Table 5. It shows that only Indian have a significant p-value. This means that Indian students' more likely to agree that the government's effort is effective.

**Table 3.** Binary logistic regression results

<b>Independent Variable</b>	<b>Beta</b>	<b>Standard Error</b>	<b>Wald</b>	<b>Significance</b>	<b>Odds Ratio</b>
Female	Ref.	-	-	-	-
Male	0.059	0.274	0.047	0.828	1.061
Others	Ref.	-	2.786	0.426	-
Malay	-0.492	0.681	0.522	0.470	0.611
Indian	-1.573	1.240	1.610	0.204	0.207
Chinese	0.135	0.834	0.026	0.872	1.144
Form 6	Ref.	-	17.419	0.004	-
Diploma	1.947	1.074	3.283	0.070	7.005
Matriculation	0.070	1.469	0.002	0.962	1.073
Master	1.171	1.299	0.813	0.367	3.226
Degree	0.980	1.065	0.847	0.357	2.664
Form 5	2.187	1.083	4.074	0.044	8.905
T20	Ref.	-	25.038	0.000	-
B40	2.243	0.542	17.130	0.000	9.426
M40	2.749	0.551	24.866	0.000	15.631
Social Science	Ref.	-	-	-	-
Science	0.619	0.284	4.757	0.029	1.856
Constant	-5.214	1.335	15.245	0.000	0.005

**Table 4.** Students perception of the effectiveness of the government's effort

<b>Parameters</b>	<b>Yes</b>	<b>Not sure</b>	<b>No</b>
<b>Genders</b>			
Male	74	96	54
Female	98	211	63
Total	172	307	117
<b>Race</b>			
Malay	144	268	103
Chinese	11	19	6
Indian	13	7	3
Others	4	13	5
Total	172	307	117
<b>Household Income</b>			
B40	81	126	58
M40	37	81	25
T20	54	100	34
Total	172	307	117
<b>Field of Study</b>			
Science	47	75	39
Social Science	125	232	78
Total	172	307	117
<b>Education Level</b>			
Diploma	43	89	36
Matriculation	15	13	4
Master	5	10	5
Degree	74	132	50
Form 6	10	10	4
Form 5	25	53	18
Total	172	307	117

**Table 5.** Ordinal logistic regression results

Independent Variable	Estimate	Standard Error	Wald	Significance
Male	-0.008	0.166	0.002	0.515
Female	Ref.	-	-	-
Malay	-0.381	0.421	0.819	0.365
Indian	-1.401	0.586	5.718	0.017
Chinese	-0.506	0.520	0.948	0.330
Others	Ref.	-	-	-
Diploma	0.611	0.424	2.081	0.149
Matriculation	-0.232	0.523	0.196	0.658
Master	0.754	0.584	1.664	0.197
Degree	0.429	0.412	1.084	0.298
Form 5	0.523	0.442	1.402	0.236
Form 6	Ref.	-	-	-
B40	0.120	0.184	0.425	0.515
M40	0.069	0.213	0.105	0.746
T20	Ref.	-	-	-
Science	0.125	0.180	0.485	0.486
Social Science	Ref,	-	-	-

## 5. CONCLUSION

This study aims to investigate 1) students' awareness on government's effort on empowering B40 income group, and 2) students' perception of effectiveness government's effort on uplifting B40 income group. For the first objective, the finding shows that majority of respondents were aware on government's effort while the results of binary logistic regression show that diploma students were more likely to aware on government effort compared to form 6 students; T20 students were less aware on government's effort. This indicates that the government need to increase the awareness of their empowering B40 group among students in high school and T20 students. For the second objective, the finding shows that less than one-third of the respondents agree that the government's efforts are effective. The ordinal regression analysis confirms that students' perception was not affected by gender, education level, study field and income group. In other words, from the perspective of students, the government's efforts are less effective so far. Thus, the government needs to increase its promotion on the B40 empowering program among students. This is essential as students are a group of people that will be part of the B40 income group and the voters of the general election, which will form the government.

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