

**COMPARATIVE STUDY BETWEEN MALAYSIAN AND NIGERIAN
FORMAL LOW COST HOUSING POLICY ISSUES**

**MOHAMMAD YAHAYA UBALE
HP110058**

**A Thesis Submitted to the Faculty of Technology Management and Business
in Partial Fulfillment of the Requirement for the Award of Master of Science**

in

Real Estate and Facilities Management



PTTA UTHM
PERPUSTAKAAN TUNKU TUN AMINAH

**University Tun Hussein Onn Malaysia
(UTHM)**

JULY, 2013

ABSTRACT

The current housing policies of Malaysia and Nigeria do not highlight on the affordability of formal low cost houses (FLCH). Low income earners do not have sufficient income to buy food and meet basic necessities like clothing, rent, fuel, utilities, transport, communications, medical expenses, education, and on a broader sense, housing. The objectives of this study were (i) to investigate FLCH affordability elements in the current housing policies of Malaysia and Nigeria; (ii) to compare the FLCH affordability elements in Malaysia and Nigeria; (iii) to study the relationship among the FLCH affordability elements in Malaysia and Nigeria; and (iv) to accomplish a sustainable FLCH affordability policy for the LIGs. The methodologies employed include descriptive statistics, Pearson correlation and the t-test. The study found that there are no laws, rules or guidelines regulating the affairs of FLCH. The design does not reflect user need; it did not conform to their culture, family background and size. No provisions for public participation are provided in the policy documents. FLCH are located in the same neighbourhood with medium and high cost houses in Batu Pahat Malaysia and enjoy all facilities, utilities and services there. The situation is not the same in Bauchi town, where FLCH are located separately at the peripheries outside of the town trekking distances which repel beneficiaries because of the awkward location. Residents in Batu Pahat have higher earnings, less number of dependants than those at Bauchi who have higher number of dependants and lower income level. This study recommends that design, location, participation, highlight on affordability and family issues have prominent impact on affordability and hence be incorporated in policy documents. It can therefore be resolve that FLCH in Batu Pahat, are affordable while those in Bauchi are not affordable. Conclusively, these affordability elements should be upheld to ensure sustainable FLCH affordability policy for the low income groups. The physical and socio-economic elements are the catalyst in the housing provision aspect. These elements can bridge the wide fissure being the basic features, essentials and the fundamentals of a good policy.

ABSTRAK

Amalan semasa polisi perumahan di Malaysia dan Nigeria tidak menekankan kemampuan seseorang untuk memiliki unit rasmi rumah kos rendah (FLCH). Individu berpendapatan rendah tidak mempunyai pendapatan yang mencukupi untuk membeli makanan serta memenuhi keperluan asas mereka seperti pakaian, sewa, bahan api, utiliti, pengangkutan, komunikasi, perbelanjaan perubatan, pendidikan dan pada erti kata yang lebih luas mereka tidak mampu untuk memiliki rumah sendiri. Objektif kajian ini adalah (i) menyiasat amalan semasa polisi perumahan di Malaysia dan Nigeria; (ii) membandingkan elemen mampu milik untuk FLCH di Malaysia dan Nigeria (iii) mengkaji hubungan antara elemen mampu milik FLCH di Malaysia dan Nigeria; dan (iv) mencapai kos rendah dasar perumahan yang mampan bagi golongan berpendapatan rendah. Metodologi yang digunakan termasuk statistik deskriptif, korelasi Pearson dan ujian-t. Kajian mendapati bahawa tiada undang-undang, peraturan atau garis panduan yang mengawal selia hal ehwal FLCH. Reka bentuk tidak mencerminkan keperluan pengguna; ia tidak mengikut budaya mereka, latar belakang keluarga dan saiz. Tiada peruntukan untuk penyertaan awam dalam dokumen polisi. FLCH terletak di kawasan kejiranan yang sama dengan rumah kos sederhana dan tinggi di Batu Pahat dan menikmati semua kemudahan, utiliti dan perkhidmatan di sana. Keadaan ini tidak sama di Bauchi, iaitu FLCH terletak berasingan di pinggir bandar yang menolak pewaris kerana lokasi yang terlalu terasing. Penduduk di Batu Pahat, mempunyai kelayakan yang lebih tinggi, pendapatan yang lebih tinggi/serta mempunyai bilangan tanggungan yang kurang berbanding responden di Bauchi yang mempunyai bilangan tanggungan yang lebih tinggi daripada defendan, berpendapatan rendah serta kelayakan yang lebih rendah/Kajian ini menunjukkan bahawa reka bentuk, lokasi, penyertaan, kemampuan dan isu keluarga mempunyai kesan ketara terhadap kemampuan dan seterusnya akan digabungkan ke dalam dokumen polisi. Oleh itu boleh dikatakan bahawa FLCH di Batu Pahat adalah berpatutan manakala di Bauchi, tidak berpatutan. Kesimpulannya, elemen mampu milik harus ditekankan untuk memastikan kemampan endasar mampu milik unit FLCH bagi golongan berpendapatan rendah. Unsur-unsur fizikal dan sosio-ekonomi adalah pemangkin dalam aspek penyediaan perumahan. Unsur-unsur ini boleh merapatkan jurang yang sedia ada sebagai ciri-ciri asas, keperluan kepada dasar yang baik.

TABLE OF CONTENTS

	PAGE
TITLE	i
DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
ABSTRAK	vi
TABLE OF CONTENTS	vii
LIST OF TABLES	xiii
LIST OF FIGURES	xv
LIST OF ABBREVIATIONS	xvi
LIST OF APPENDICES	xviii

CHAPTER 1 INTRODUCTION

1.1	Background of the Study	1
1.2	Problem Statement	4
1.2.1	Research Gap	5
1.3	Research Questions	5
1.4	Research Objectives	6
1.5	Scope & Limitations	6
1.6	Significance of the Study	7
1.7	Organization and structure of the thesis	9
1.8	Research Methodology Flow	11
1.9	Conclusion	12

CHAPTER 2 LITERATURE REVIEW

2.1	Introduction	13
2.2	Concept of Housing	14
2.2.1	Concept of Housing Policy	15
2.2.2	Objectives of Low Cost Housing Policy	21
2.3	Concept of Low Cost Housing Affordability for the Low Income Groups	21

2.3.1	Low Cost Housing Affordability Plan	23
2.3.2	Mechanisms of Low Cost Housing Affordability	25
2.3.3.	Affordable Formal Low Cost Housing Programs	25
2.3.4	An Overview of Malaysian Housing Policy Plans	27
2.3.5	Malaysian Housing Policy Plans (First – Fifth plans)	28
2.3.6	Housing Development and Delivery (Sixth-Tenth Plans)	29
2.3.7	An over view of Nigerian Formal low cost Housing Programs	31
2.3.7.1	Formal Low Cost Housing Production in Nigeria	34
2.3.7.2	The idea of Public-Private Partnership (PPP)	35
2.4	Concept of Housing Provision Models	36
2.4.1	Modes of Formal Low Cost Housing Provision	37
2.4.2	Housing provision model in Malaysia	39
2.4.3	Formal housing provision system in Malaysia	40
2.4.4	Stakeholders in formal low cost housing provision in Malaysia	41
2.4.5	Malaysian formal low cost housing provision models	43
2.4.6	Housing Provision Model, Vienna/Armsterdam, Europe	45
2.4.7	Conceptual model for the formal low cost housing provision in shanghai China	45
2.4.8	The Permanent Income Theory	46
2.5	Theoretical Framework of the Study	46
2.5.1	Lack of Affordability of the Low Cost Housing by the Low Income Groups	47
2.5.2	Problem of low level of income	49
2.5.2.1	Poverty Income Line for low income households	52
2.5.3.	Problem of family issues & Malaysian passion and way of life	53
2.5.3.1	Stand point of relevant schools of thought on of family issues	55
2.5.3.2	The Singapore experience on problems of family issues	57

2.5.4.	High Dependency Ratio on the low income groups	59
2.5.5	Solution to the problems identified	59
2.5.6	Physical Elements for Low Cost Housing Affordabilty	60
2.5.6.1	Provision of new Low Cost Houses at suitable Locations	60
2.5.6.2	Ensuring Accessibility and Road network in Low Cost Housing Estates	61
2.5.6.3	Provision of Facilities, Amenities and Utilities	61
2.5.6.4	Design Low Cost Housing to reflect the user needs	62
2.5.6.5	Health and Safety Structures	63
2.5.6.6	Effective and Efficient Mass Transport modes	64
2.5.7	Socio-Economic Elements for Formal Low Cost Housing Affordability	65
2.5.7.1	Policy to Highlight on Affordability of Formal Low cost Houses.	66
2.5.7.2	Provide Incentives for Household improvement	67
2.5.7.3	Basis for Participation of Low Income Earners in Policy Deliberations	68
2.5.7.4	Low Cost Housing Loans and Mortgages be Readily available	68
2.5.7.5	Family issues marred witties, ethics, and race	69
2.5.7.6	Esteemed Feeling of Self worth	70
2.5.8	Sustainable Formal Low Cost Housing Affordability Policy for the Low Income Groups in the Housing Provision Aspect	71
2.6	Conclusion	71

CHAPTER 3 RESEARCH METHODOLOGY

3.1	Introduction	73
3.2	Research Design	73
3.2.1	Research flow	74
3.3	Research Approach	75
3.3.1	Research Method	76
3.3.2	Library Search	76

3.3.3	Determining Sample Size for the Study from the total Population	76
3.4	Respondents of the study	77
3.4.1	Population in Batu Pahat, Malaysia	78
3.4.2	Population in Bauchi, Nigeria	80
3.4.3	Total population of the study	80
3.5	Questionnaire Survey	81
3.5.1	Pilot Survey	81
3.5.2	Closed questions	82
3.5.3	Open-ended questions	83
3.6	Method of Data Analysis	84
3.6.1	Descriptive Statistics	85
3.6.2	Reliability Test for Data set of Residents of FLCH, Batu Pahat Malaysia	85
3.6.3	Reliability Test for Data set of Residents of FLCH, Bauchi, Nigeria	86
3.6.4	Normality Test for Data sets of Residents of FLCH Malaysia and Nigeria	86
3.6.5	The T -Test	87
3.6.6	Correlation	88
3.7	Conclusion	90

CHAPTER 4 COMPARISON, RELATIONSHIP AND CURRENT POLICIES ON FLCH AFFORDABILITY ELEMENTS IN MALAYSIA AND NIGERIA

4.1	Introduction	91
4.2	Background of Residents, Batu Pahat, Malaysia and Bauchi, Nigeria	92
4.2.1	Findings on the Background of Residents in Malaysia and Nigeria	93
4.3	Physical affordability elements for FLCH Malaysia and Nigeria	98
4.3.1	Location of FLCH Malaysia and Nigeria	98
4.3.2	Design of FLCH Malaysia and Nigeria	100
4.3.3	Access roads in FLCH Malaysia and Nigeria	101
4.3.4	Provision of security and safety structures in FLCH Malaysia and Nigeria	102
4.3.5	Provision of health and recrea-	

	4.3.6	tional facilities in FLCH Malaysia and Nigeria Provision of educational facilities in FLCH Malaysia and Nigeria	104 105
4.4		Socio economic affordability elements for FLCH Malaysia and Nigeria	106
	4.4.1	Participation in policy deliberation for the FLCH Malaysia and Nigeria	107
	4.4.2	Housing loan and mortgages for the FLCH Malaysia and Nigeria	108
	4.4.3	Incentives for Household improvement for the FLCH Malaysia and Nigeria	109
	4.4.4	Policy highlights on FLCH affordability Malaysia and Nigeria	110
	4.4.5	Family issues on the FLCH Malaysia and Nigeria	111
	4.4.6	Feeling of Self-worth for residents of FLCH Malaysia and Nigeria	112
4.5		Comparing the Physical Affordability Elements of the FLCH Malaysia and Nigeria	113
	4.5.1	Comparing the Socio Economic Elements for the FLCH Malaysia and Nigeria	115
4.6		Relationship between Physical Affordability Elements for the FLCH, Malaysia.	116
	4.6.1	Relationship between Socio economic Affordability Elements for the FLCH Malaysia	117
4.7		Relationship between Physical Elements for the FLCH Nigeria	118
	4.7.1	Relationship between Socio Economic Elements for the FLCH Nigeria	120
4.8		Responses of the Policy Makers, Batu Pahat, Malaysia on current policy issues	121
	4.8.1	The Current FLCH Affordability issues, Batu Pahat, Malaysia	121
	4.8.2	Physical Elements of the FLCH affordability, Batu Pahat, Malaysia	122
	4.8.3	Socio economic Elements of	

	FLCH affordability, Batu Pahat, Malaysia	122
4.8.4	Responses of the Policy Makers, Bauchi, Nigeria on current policy issues	123
4.8.5	The Current FLCH Affordability issues, Bauchi, Nigeria	124
4.8.6	Physical Elements of the FLCH Affordability, Bauchi, Nigeria	124
4.8.7	Socio Economic Elements of FLCH Affordability, Bauchi, Nigeria	125
4.8.8	Outline of the responses of policy makers Malaysia and Nigeria	126
4.9	Conclusion	129

CHAPTER 5 DISCUSSION, RECOMMENDATIONS AND CONCLUSION

5.1	Introduction	131
5.2	The current practices of the formal low cost housing policies of Malaysia and Nigeria	131
5.2.1	The Physical affordability elements in Malaysia and Nigeria	132
5.2.2	The Socio economic affordability elements in Malaysia and Nigeria	135
5.3	Comparing the Physical Affordability Elements for the FLCH Malaysia and Nigeria	139
5.3.1	Comparing the Socio economic Affordability Elements for the FLCH Malaysia and Nigeria	142
5.3.2	Recommendation to Policy Makers Malaysia and Nigeria	145
5.3.3	Recommendation to Policy Makers Nigeria	145
5.3.4	Recommendation for Future Study	147
5.3.5	Significance of the study	147
5.4	Conclusion	148

LIST OF TABLES

1.1	Formal Low Cost Housing Deficit in the study area	5
1.2	Population and Geographical Area of the study area	7
2.1	Summary of Relevant Literatures on Housing Policy Issues	16
2.2	Basic framework Instruments for Housing Provision	20
2.3	Plan Target and Extra achievement	31
2.4	Modes of formal housing provision in developing countries	38
2.5	Types of Formal modes of Housing Provision in Malaysia	42
2.6	Formal low cost housing prices in Malaysia	43
2.7	Indices of Poverty in the 10 th Malaysian Plan	50
2.8	Poverty Income Line (PLI)	51
2.9	Government Poverty Income Line for Households	52
2.10	Proposed Household Income In Malaysian Ringgit (RM)	52
2.11	Comparative Elements	53
3.1	Sample Size for the Study	77
3.2	Formal Low Cost Houses in Batu Pahat	79
3.3	Formal Low Cost Houses Bauchi Nigeria	80
3.4	Population & Number of Respondents	81
3.5	Questionnaire administered at Batu Pahat	82
3.6	Questionnaire administered to Policy makers in Bauchi	82
3.7	Questionnaire administered to Residents in Batu Pahat	83
3.8	Questionnaire administered to Policy makers in Bauchi	83
3.9	Analysis techniques used in achieving objectives of the study	84
3.10	Reliability Statistics for Residents of FLCH, Batu Pahat Malaysia	85
3.11	Reliability Statistics for Residents of FLCH, Bauchi Nigeria	86
4.1	Locating new FLCH at suitable areas	99
4.2	Design of new FLCH to match user needs	100
4.3	Provision of Access Road	101
4.4	Provision of Security & safety structures	103
4.5	Provision of Health & Recreational facilities	104

4.6	Provision of Educational facilities	105
4.7	Participation in Policy deliberations	107
4.8	Provision of Housing Loan and mortgages	108
4.9	Provision of Incentives for Household improvement	109
4.10	Policy Highlight on FLCH Affordability	111
4.11	Policy Highlight on Family issues	112
4.12	Policy Highlight on Feeling of self-worth	113
4.13	Comparison between Physical elements, Malaysia & Nigeria	114
4.14	Comparison between Socio economic elements Malaysia and Nigeria	116
4.15	Correlations on the Physical elements for the FLCH Malaysia	117
4.16	Correlations on socio economic elements, for FLCH, Malaysia	118
4.17	Correlation on Physical elements for residents, Nigeria	119
4.18	Correlation on socio economic elements for Residents, Nigeria	120
4.19	Policy makers on the Current Affordability issues, Malaysia	121
4.20	Policy makers on the Physical Elements, Batu Pahat, Malaysia	122
4.21	Policy makers on Socio economic Elements, Batu Pahat Malaysia	123
4.22	Policy makers on the Current Affordability issues, Bauchi, Nigeria	124
4.23	Policy makers on Physical Elements, Bauchi, Nigeria	125
4.24	Policy makers on Socio Economic Elements, Bauchi, Nigeria	125
4.25	Current policy issues and affordability elements, Malaysia and Nigeria	126



LIST OF FIGURES

1.1	Administrative Map of Batu Pahat, Malaysia	8
1.2	Administrative Map of Bauchi, Nigeria	9
1.3	Research methodology flow	11
2.1	Analytical Framework for Housing Affordability	24
2.2	A conceptual model of formal housing provision in developing countries	38
2.3	Housing provision model in Malaysia	39
2.4	Formal housing provision system in Malaysia	40
2.5	Public sector formal housing provision model in Malaysia	44
2.6	Private sector formal housing provision model in Malaysia	44
2.7	Theoretical framework	47
3.1	Illustration of the study flow	75
3.2	Normality Curve	87
4.1	Age of residents of FLCH Malaysia & Nigeria	93
4.2	Sex of residents of FLCH Malaysia & Nigeria	94
4.3	Number of Dependants on residents of FLCH Malaysia & Nigeria	95
4.4	Income of residents of FLCH Malaysia & Nigeria	96
4.5	Number of bedrooms in FLCH Malaysia & Nigeria	97
4.6	Years stayed in this house, Malaysia & Nigeria	98
4.7	Findings on the responses of the policy makers on Current policy issues	127
4.8	Findings on the responses of the policy makers on the Physical elements	128
4.9	Findings on the responses of the policy makers on the Socio economic elements	129

LIST OF ABBREVIATIONS

BR	Bedroom
BUN	Bungalow
CBD	Central Business District
CID	Confidence Interval of the Paired Difference
DETR	Department of Environment, Transport and Regions
DF	Degree of freedom
DPLCH	Developed public low cost housing
DTZ	Real Estate Firm, New Zealand
EU	European Union
FLCH	Formal low cost housing
FLDA	Federal Land development Authority
FHA	Federal Housing Authority
FMBN	Federal Mortgage Bank of Nigeria
GDP	Gross Domestic Product
GNI	Gross National Income
HCH	High Cost Housing
HDB	Housing and Development Board
HIG	High Income Group
HLS	Housing loan schemes
HP	Housing for the Poor
HUD	Housing and Urban Development
LCH	Low cost housing
LCHRF	Low Cost Housing Revolving Fund
LIG	Low Income Group
LMCH	Low Medium Cost Housing
LPPKN	National Population & Family Development Board
LUA	Land Use Act
LUD	Land Use Decree
MBBS	Malaya Borneo Building Society
MCH	Medium Cost Housing
MHLG	Ministry of Housing and Local Government
MIG	Medium Income Group
NEM	New Economic Model
NEP	New Economic Policy
NHF	National Housing Fund
NHP	National Housing Policy
NNHP	New National Housing Policy
OPEC	Organization of the Petroleum Exporting Countries
OPS	Organized Private Sector
PLCH	Public low cost housing
PLI	Poverty Income Line
PMI	Primary Mortgage Institutions
PPP	Principle of Public Participation
PPP	Public-Private Partnership
PSFHPM	Private Sector formal Housing Provision Model

REDF	Real Estate Development Fund
SEDC	State Economic Development Cooperation
SDH	Semi Detach Housing
Sig.	Significance value of the means compared
SHP	Structural Housing Provision
UN	United Nations
UNHDP	United Nation Human Development Program
USDA	United State Development Authority
UNESCO	United Nations Educational Scientific & Cultural Organization



PTTA UTHM
PERPUSTAKAAN TUNKU TUN AMINAH

LIST OF APPENDICES

Appendix	A	Publications and Seminars
Appendix	B	Questionnaires for Policy makers
Appendix	C	Questionnaires for Residents
Appendix	D	Map of Malaysia
Appendix	E	Map of Nigeria
Appendix	F	Vita



PTTA UTHM
PERPUSTAKAAN TUNKU TUN AMINAH

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

The number of slum dwellers in the world has increased from 715 million in 1991 to 913 million in 2001, and to 998 million in 2005. Projections to 2020 suggest that the world will have up to 1.4 billion slum dwellers. Certainly, if the number of slum dwellers is increasing annually, it seems rather that best practiced housing policy is still deficient (UNHDP 2006). Government officials are relatively limited in the number of policy supported actions they are able to take in supporting the housing needs and aspirations of their citizenry. It is evident over the years, that Nigeria has developed and implemented a number of housing policies and strategies, in an attempt to address the housing situation of its citizens and particularly the low-income groups (LIGs).

Consequently, a fatal failure of the public housing scheme to house Nigerians occurred (Agbola 1990; Awotona, 1990; Ogunshakin & Olayinwola, 1992; Ikeojifor, 1999b; Ogu, 1999). There were writings from the World Bank and allied scholars in propagating the idea that through supporting policies, the private sector can adequately tackle the persistent inadequate response from the supply side (World Bank, 1993; Pugh, 1994a; Ogu, 1999; Ogu & Ogbuozobe, 2001). Nigeria have taken the directives dictated by the international agencies most especially the World Bank, to henceforth refrain from direct role in housing and adopt market driven policies

to enable housing provision in their countries (World Bank, 1993; Sandhu and Aldrich, 1998). In this instance, many of the opponents of neo-liberalism through the World Bank condemn the strategy on the grounds of its likely deepening of exclusionist trends it would further generate on the poor and LIGs in the developing countries (Baken and Linden, 1993; Ortiz, 1996; Mukhija, 2001, 2004). However, from the little available in the Nigerian housing literature, the Organised Private Sector (OPS) are recognized to have much concentration on housing the upper-and medium-income groups (Ikeojifor, 1997) and generally display the tendency of profit maximization (Keivani & Werna, 2001a). Scholars have begun to express cynicism that the desired objective might not be achievable from the participation of the OPS (Keivani & Werna, 2001a; Aribigbola, 2008).

In contrast, however, Malaysian housing programs have focused largely on the eradication of poverty and restructuring of the society through the integration of the various ethnic communities. The government has provided a settlement policy to keep pace with Malaysia's rapid economic growth "to eradicate hard-core poverty, to bring a better quality life to her people and to conserve her forest eco-system for future generations (Ezeanya, 2004). As such, the role of private sector developers became more significant and resulted in the formation of a consultative committee on housing and construction between public and private sectors. The scope of development undertaken by developers has increased from encompassing traditional housing projects to condominiums, townships, towering commercial complexes, shopping malls, state-of-the art golf courses, hospitals, theme parks and industrial estates.

As the population increased, housing programs in urban areas were further accelerated with Vision 2020, an idea introduced in 1998 by the Prime Minister; Dr. Mahathir Mohammad. The vision portrays an ambitious master plan, which forecasts that Malaysia would qualify as one of the fully developed nations by the year 2020. The present literacy level is about 88.7 per cent of the total population in Malaysia slightly more than that of South Africa. Compared to that of other developed countries like the United Kingdom, Canada, Australia, and New Zealand (above 95 per cent), the gap is

very small. This high literacy level has given the Prime Minister confidence to lay emphasis on the vision so that it will become a reality. It is obvious now that vision 2020 has become the focus of attention of the whole country including academicians, administrators, politicians and even people in the villages now talk about vision 2020 (Ezenya, 2004). It is also worth knowing that Malaysia got independence on the 31st day of August, 1957 while Nigeria got her own on the 1st day of October, 1960.

Malaysia is advantageously located in the South-eastern Asia. This attractive country has two separate parts - Peninsular Malaysia and East Malaysia. As the name suggests, East Malaysia is found in the East, while Peninsular Malaysia is found in the West. The southernmost angle of continental Asia is marked by Tanjung Piai, a cape situated in the state of Johor. Located between Sumatra and Peninsular Malaysia, is the Canal of Malacca, perhaps the foremost shipping lane on the earth. The South China Sea separates the two distinct parts of Malaysia.

However, both parts have coastal plains which rise to deeply forested hills and mountains. Thailand, Singapore, Canals of Malacca and Indonesian island of Sumatra share their borders with the Peninsular Malaysia on the north, south, west and east respectively. Peninsular Malaysia stands the weight of granite, stratified rocks, other igneous rocks and alluvium at various locations. In the East, Malaysia finds its highest point of elevation (4,095m) above sea level at Mountain Kinabalu. Located on the picture square island of Borneo, East Malaysia is verily sharing its southern borders with Brunei and Indonesia. To its west and north, East Malaysia is embraced by the South China Sea and by the Sulu Sea on the northeast. The prominent area of Malaysia comes under East Malaysia, with approximately 60% area. More than 50% of country's total area is covered under thick tropical forests, particularly in Sabah and Sarawak (Ezeanya, 2004).



PTTA
PERPUSTAKAAN TUNJUKKAN AMINAH

1.2 Problem Statement

Low Income Earners are that segment of the society whose income is not sufficient to buy a calorie of group of foods that would meet the basic nutritional needs of the members of the household. The income is also not enough to meet other basic necessities such as clothing, rent, fuel and utilities, transport and communications, medical expenses, education and recreation, and on a broader sense, housing (Jayanath, 2010; UNESCO, 1998).

Low income earners have greatest family size because of incessant marriages attached to respective beliefs, family relatives depending woefully on them who bear the same notion and mission (Ogu, & Ogbuozobe, 2001). After spending colossal amount of resources, a fatal failure of the low cost housing scheme to house Nigerians occurred (Agbola 1990; Awotona, 1990; Ogunshakin & Olayinwola, 1992; Ikeojifor, 1999b; Ogu, 1999). Low cost housing Affordability by the Low Income Groups is not usually highlighted in the current practiced Housing policies. However, physical and socio-economic elements hinder the sustainability and efficiency of housing policies. This eventually affects the realization of the goals and affordability of the housing units by lower income groups of both Malaysia and Nigeria. Economic indicators like Income, Literacy level, Dependency ratio, ethics, family ties and race, posed a problem to the housing policies. Family members don't seem to leave their ancestral compound to new locations.

The impact could be seen from the cost involved in construction and managing the housing units (Montague, 2004; Meier and Hicklin, 2008). Many elements negate the successful delivery of housing policies; these elements include physical factors such as location, design and aesthetics, and accessibility, provision of facilities, utilities and services. The interplay of physical indicators, social and economic elements inevitably retards efforts of forging ahead. Lack of Formal Low Cost Housing (FLCH) affordability by the lower income groups signifies a wide gap that this study seeks to bridge.

1.2.1 Research Gap

In Batu Pahat Malaysia, the observed gap is typically on the design, public participation, family issues and incentives for home improvement. The federal government of Nigeria would require more than N56 trillion to provide 16 million housing units to bridge the housing deficit in the country. It is expatiated that the 16 million houses would be constructed at a conservative cost of N3.5 million per unit. It requires urgent injection of funds from both the government and the private sector (Field Survey, 2012). The frightening issue is that where the housing units are available, the LIGs cannot afford to own. Table 1.1 shows FLCH deficit in the study area.

Table 1.1 Formal Low Cost Housing Deficit in the study area

S/n	Municipal Council	Housing Deficit	Financial Implication
1.	Batu Pahat	0	0
2.	Bauchi	16 million	56 Trillion

Source: Field Survey, (2012).

1.3 Research Questions

The study strived and answer the research questions designed for the whole study which as spelt out below accordingly:

- Why does the current housing policies in Malaysia and Nigeria do not highlight for the FLCH affordability elements?
- How the affordability elements in Malaysia and Nigeria excelled in harnessing FLCH ownership?
- What are the relationship among the FLCH affordability elements in Malaysia and Nigeria?

- How can these problems be ameliorated in Malaysia and Nigeria?

1.4 Research Objectives

The research questions designed for this study were accomplished through the following objectives:

- To investigate FLCH affordability elements in the current housing policies of Malaysia and Nigeria
- To compare the FLCH affordability elements in Malaysia and Nigeria
- To study the relationship among the FLCH affordability elements in Malaysia and Nigeria
- To accomplish a sustainable formal low cost housing affordability policy for the low income groups in the housing provision aspect

1.5 Scope & Limitations of the Study

The study vehemently focused on the FLCH in Batu Pahat, Malaysia under the Municipal Council and FLCH in Bauchi, Nigeria also under the Municipal Council. Emphasis was given to elements that negate affordability of the housing units by lower income groups of these two municipalities by assessing their literacy level, dependency level, income level versus expenditure, family tie, ethic and race. This has shown the extent of the achievements and sustainability of the housing policies. Batu Pahat which means "chiselled stone" is a district in the state of Johor, Malaysia. It lies southeast of Muar, southwest of Kluang, northwest of Pontian, and south of Segamat and the new Ledang district. The capital of the district is Bandar Penggaram, Batu Pahat.

Its total area is 1,872.56 square kilometre (723.00sq.mi). It has total population of 417,458 people (World Guide to Libraries, 2011).

Bauchi is a town in northeast Nigeria, it is a Local Government Area within Bauchi State, and of the traditional Bauchi Emirate Council. The city has a population of 316,173. The Local Government Area covers an area of 3,687 square kilometres and a population of 493,810 people. Table 1.2 shows the similarities and other wise between Batu Pahat and Bauchi municipal councils (World Guide to Libraries, 2011).

Table 1.2 Population and Geographical Area of the study area

S/n	Municipal Area	Population	Area (sq.km.)	Similarities
1.	Batu Pahat	417,458	1,873	Municipal council
2.	Bauchi	493,810	3,687	Municipal council

Source: World Guide to Libraries, (2012).

1.6 Significance of the Study

This study established system for the Government in making sustainable housing policies in the housing provision aspect that shall obviously improve affordability of the FLCH. Government housing initiatives should then be more economically viable, socially acceptable, technically feasible, and environmentally compatible. This study ensure a sustainable FLCH policy by the government through the enhancement of sustainability elements such as literacy/income level, dependency burden on the low income groups that impede affordability. However, there is a widening and frightening gap between aspirations, expectations and the capacity of realization and a yawning chasm between the magnitude of low cost housing demand and the capacity of the supply. This study examined the Malaysian housing program aimed at providing shelter for all, the zero squatter policy, and the integrated squatter resettlement policy and evaluated its achievements. Nigerian

dwindling housing schemes with its charming population of about 162,471,000 million (UN, 2011) which will reach 390 million by the year 2050 and 730 million by the year 2100 (UN, 2011) should also adopt the outcome of this study and incorporate the affordability elements, to maintain a balance between the demand for formal housing which is acutely rising due to a severe shortage of new low cost housing units in the market as a result of inadequate financial and the government tactful withdrawal from a direct housing provision in the country (World Bank, 1993; Sandhu & Aldrich, 1998). This study posits techniques of suppressing the hitches, weaknesses and impediments of the existing housing policies.

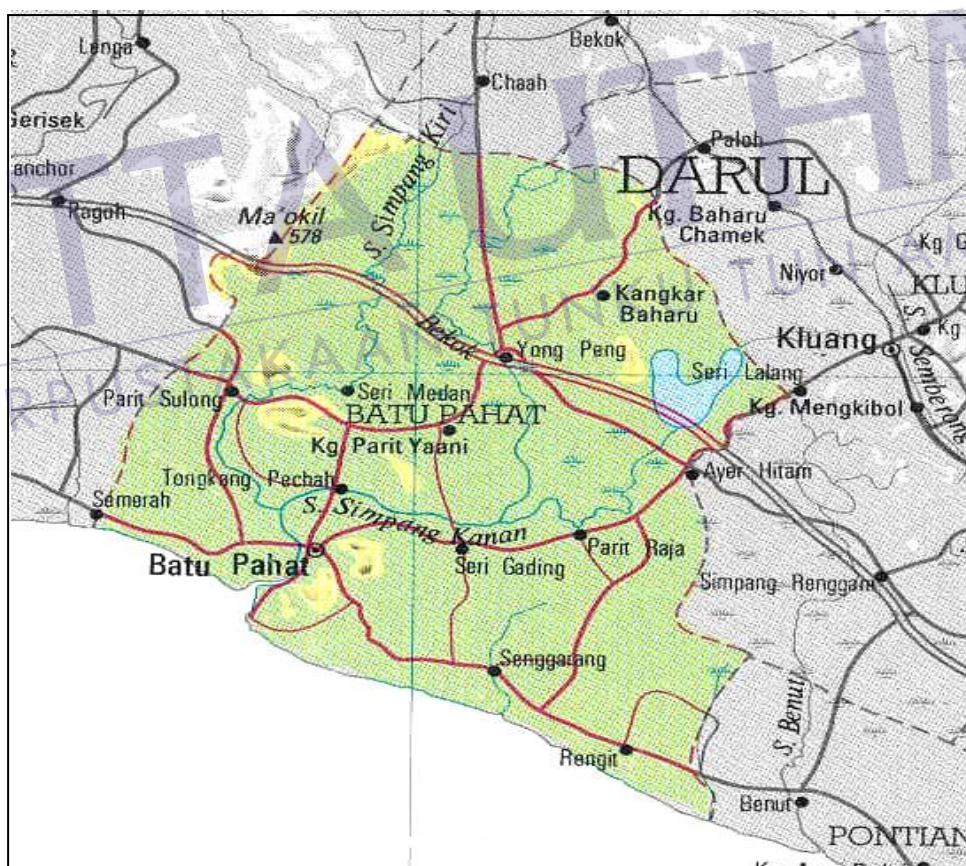


Figure 1.1 Administrative Map of Batu Pahat, Malaysia. Source: Google maps: <http://www.google.com.my/imgres?imgurl> (2012).

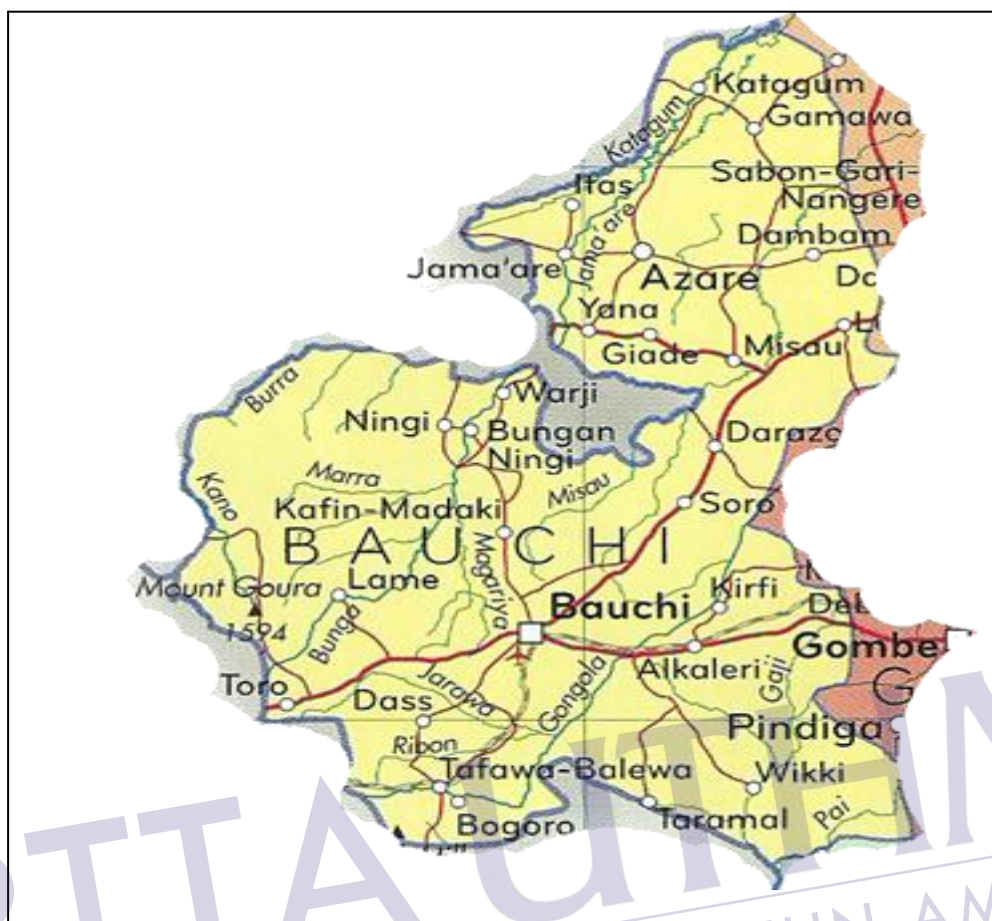


Figure 1.2 Administrative Map of Bauchi, Nigeria. Source: Google maps: <http://zodml.org/Nigeria/Geography/Bauchi%20State/#>. (2012).

1.7 Organization and structure of the Thesis

• Chapter 1

This is the introduction segment covering the background of the study, statement of the problem, research questions, research objectives, scope and limitation of the study and the significance of the study.

- **Chapter 2**

Review of relevant literature materials such as articles and or journals, seminar and conference papers, past thesis, books, etc. are perused accordingly and acknowledged where necessary.

- **Chapter 3**

In this chapter, the methodology employed, the Quantitative approach, is addressed, the research design adopted, research sampling technique used, research instrument like questionnaires, the Likert's scale were accordingly examined. Data gathered is appropriately presented.

- **Chapter 4**

This chapter investigated the current practice housing policy issues of Malaysia and Nigeria using descriptive statistical analysis tool. Also, this chapter evaluated the Affordability elements of sustainable FLCH in Malaysia and Nigeria, analysis of data collected on background of the residents using descriptive statistical and the relationship between the elements using Correlation technique. Comparison of the Affordability elements of sustainable low cost housing policy in Malaysia and Nigeria is vehemently addressed in this chapter. The t- test is the tool used for analysing the comparative data. Finally, the adoption of Malaysian best practice on FLCH is recommended to harness FLCH ownership in Bauchi, Nigeria.



PTTAUTHM
PERPUSTAKAAN TUNKU TUN AMINAH

• Chapter 5

This chapter gives the summary of the study, discussions, conclusion and appropriate recommendations to policy makers and future studies.

1.8 Research Methodology Flow

Quantitative technique is an approach for systematic empirical investigation of a social phenomenon through statistical techniques (Nor, 2009). This approach has been used with stratified random sampling in this study. Structured Questionnaire was used. 731 (85%) questionnaires were gladly returned while 133 (15%) questionnaires were not returned. Ordinal scale of measurement was used appropriately. Table 1.3 shows the research methodology flow.

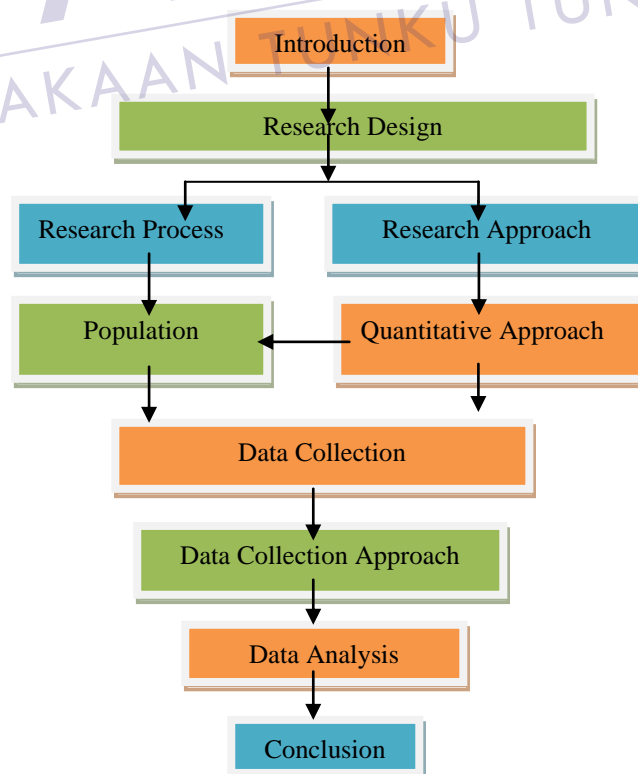


Figure 1.3 Research methodology flow, (2012).

1.9 Conclusion

This chapter addressed the research questions that were fully accomplished by the objectives of the study. Low cost housing Affordability by the Low Income Groups is not usually highlighted in the current practiced Housing policies. However, physical and socio-economic elements hinder the sustainability and efficiency of housing policies. This eventually affects the realization of the Goals and affordability of the housing units by lower income groups of both Malaysia and Nigeria. Economic indicators like Income, Literacy level, Dependency ratio, ethics, family ties and race, posed a problem to the housing policies. Family members don't seem to leave their ancestral compound to new locations. This study ensure a sustainable FLCH policy by the government through the enhancement of sustainability elements such as literacy/income level, dependency burden on the low income groups that impede affordability.



PTTAUTHM
PERPUSTAKAAN TUNKU TUN AMINAH

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This study examined Nigeria and Malaysia's low cost housing development strategies with reference to the physical and socio economic elements. Housing and social services continue to be the priority of Malaysian government programs aimed at improving the quality of life and contributing towards the formation of a loving society. In this respect, various programs for the development of housing were implemented in urban and rural areas. Also, housing development was to increase accessibility to adequate, affordable and good quality houses for all income groups. Several actions were taken by the government to hasten the implementation of housing programs. Housing programs were undertaken by both the public and private sectors. This study identified different programs and evaluated proactive measures with regard to the physical and socio economic elements, national housing policy and comprehensive national and town planning policies vis-a-vis several relevant action plans that are consistent with the vision 2020 Development Program and compared same to the Nigerian situation.



PTTA UTHM
PEPUSAT PENYELIDIKAN DAN PENKAJI TINDAKAN AMINAH

2.2 Concept of Housing

Housing is a universal word having many synonyms such as home, shelter, dwelling, accommodation, messuage and maisonette. People the world over have known housing in their own perspective. Shelter is defined as providing somebody with protection from the weather and danger. Similarly, home is defined as the place where one lives, especially with one's family. Regarding house definition, Wikipedia Encyclopaedia (2005), defines house as a human built dwelling with enclosing walls and a roof. It provides shelter against precipitation, wind, heat, cold and intruding human beings and animals. When occupied as a routine dwelling for humans, a house is called a home (Sulaiman, Baldry, and Ruddock, 2005). Public Housing is defined as a Housing unit owned and operated by the government, usually for rental purposes to low-income families. This is in contrast to low-income housing, which is privately owned but government supported through a variety of incentives. Housing accommodation is interpreted under part 1, section 3, Housing Development (Control and Licensing) Act 1966; Act 118) and Regulations as "including any building, tenement or messuage which is wholly or principally constructed, adapted or intended for human habitation, or, partly for human habitation and partly for business activities, but does not include an accommodation erected on any land designated for or approved for commercial activities".

Purposely, Habitat Agenda (2006) in the Habitat (II) conference in Istanbul and Turkey, adopted by 171 countries, paragraph 60 of the Habitat Agenda defined 'house' from the perspective of its users. It combined the word 'shelter' with the word 'adequate' and read 'adequate shelter'. Therefore, Adequate shelter means: 'more than a roof over one's head. It further means adequate privacy; adequate space; physical accessibility; security of tenure; adequate security; structural stability and durability; adequate lighting; heating and ventilation; adequate basic infrastructure; such as water supply, sanitation and waste management facilities; suitable environmental quality and health related factors; adequate and accessible location with regard to work and basic



facilities all of which should be available at an affordable cost. Adequacy should be determined together with the people concerned, bearing in mind the prospect for gradual development. Adequacy often varies from country to country, since it depends on specific cultural, social, environmental and economic factors. Gender specific and age specific factors such as the exposure of children and women to toxic substances, should be considered in this context'. This definition is equally appropriate for the context of provisioning a house to shelter human beings. However, it must also complement the seven aspects that form the integral component of human rights to acquire adequate housing including legal security of tenure, availability of service, material, facilities and infrastructure, affordability, habitability, accessibility, location, cultural adequacy as defined by the United Nations Committee on Economic, Social and Cultural Rights in 1991 (UN Habitat, 2002). In the process of providing housing to the nation, all the agents or stakeholders should be aware that there is a need to protect the human rights as well as the purchaser's protection as an ultimate user (Sulaiman, Baldry, and Ruddock, 2005).

2.2.1 Concept of Housing Policy

Policy means Plan of action, statement of aim and ideas, especially one made by a Government, political party, and business company. Policy is extremely difficult to define with any precision. The term is used to depict those parameters shaping acts and strategic moves that direct an organization's essential resources towards perceived opportunities in a changing environment. Policy is designed to give direction, coherence and continuity to the courses of actions. Housing policy can be defined in terms of measures designed to modify the quality, quantity, price, ownership and control of housing (Malpass and Murie, 1994). Housing policy is the implementation mechanisms to make a fundamental switch from a concern about housing as an output to housing inputs. In terms of government responsibilities in



delivering adequate shelter, paragraph 61 of the Habitat Agenda (2006) cited to wit: “All governments without exception have a responsibility in the shelter sector, as exemplified by their creation of ministries of housing and agencies, by their allocation of funds for the housing sector, and by their policies, programs and projects. The provision of adequate housing for everyone requires action not only by governments, but by all sectors of the society including the private sectors, non-governmental organizations, communities and local authorities, as well as partner organizations and entities of the international community. Within the overall context of the enabling approach, Government should take appropriate actions in order to promote, protect and ensure the full and progressive realization of the right to adequate housing”. Table 2.1 gives the summary of relevant texts on housing policy issues.

Table 2. 1. Summary of Relevant Literatures on Housing Policy Issues

S/n	Authors	Year	Findings
1.	United Nation Human Development Program	2006	Best practiced Housing Policy is still deficient
2.	UN Habitat sessions in Istanbul, New York	1996, 2000	Equal access to adequate, accessible housing must be ensured for all citizens & their families
3.	Ezeanya.	2004	Provide settlement policy to keep pace with the rapid economic growth & eradicate hard core poverty
4.	Ikeojifor	1997	Nigerian Housing Policy concentrates on the Upper & Medium income class
5.	Agbola, Awotona, Ogunshakin & Olayinwa Ikeojifor and World Bank	1990, 1992, 1999b, 1993, 1999, 1994 & 2001	These scholars adequately present a Fatal Failure of Nigerian housing policy scheme

Source: Summary of Relevant Literatures, (2012).

The scarcity of housing also causes bulge prices, making problems in the supply of affordable housing. However, deficiency is not only intense as most poor people do not live in poor areas and most of the people who live in these areas are not the real poor's (UN-Habitat, 2005). Subsidies by government were needed, but the high initial subsidies, required to launch the standard

housing, fell quite fast and most stocks throughout the country proved to be self-supporting (UN-Habitat, 2005). Housing policy lead to house provision through a simple process of integrating supply and demand. Many problems in Europe are the scarcity of suitable and cheap housing, though; most European countries have excess houses. However, there are three main hesitations as follows:

- Houses have to be sufficient and some households require the house as a second home because it is located at the wrong place or inhabitable. Some houses in Greece, and over a fifth in Italy and Spain, are somewhat unoccupied.
- Households depend on the number of dwellings available and households have to fit into the houses that are there. Some countries in Western Europe have half the number of persons per room as countries in the former Eastern Europe.
- Houses have to be habitable. Many countries were no longer collecting this data, but in 2000, the European Community Household Panel found that more than a fifth of the population in France, Greece, Italy, Portugal and Spain had problems of shortage of space, rot or dampness. In the UK, however, it was more than a quarter.

The principal aims of Low Cost Housing Policy are part of the housing policy plan and framework that will improve self-worth and forge destiny for the low income groups (European Union, 2002). Some of the plans are spelt out below:

- To make housing for the public readily and more affordable.
- To increase the supply of housing, especially via the support of new construction.
- To increase quality of housing, help owners to maintain, repair, and renovate.
- To ensure the functioning of instruments available to low income groups.



- To smear the rules of the EU common market conditions regarding the State aid.

Improvements in the situation, especially in the field of care for the existing housing stock, will also be stimulated by the monitoring and revision of the requirements of the technical standards, which in some cases worsen the situation of housing stock owners (European Union, 2002). Ensuring an adequate supply of affordable housing for households in the lower income groups thereby imploring the use of housing, preservation, reconstruction and renovation, with improvements to the quality of residential units. The rounding-off of the legal framework of low cost housing, especially via the new modification of private law is also a substantive task for forging ahead (UNHDP, 2006). These tasks are depending on the following basic pillars:

- Create rules to govern entities in the field of housing.
- Create an economic environment and a system of support to bring supply of housing in line with demand.
- Social doctrine is the basis for the creation of measures focused on citizens who need State assistance to have standard housing.

The idea of self- reliant development, within natural resource constraints and the notion of cost-effective development using different economic criteria and the traditional approach should equally be harnessed (UN-Habitat, 2000). Furthermore, three set of actions were set out for improving Low cost Housing Development Policies as follows:

- Government can build residential units and rent same at full or subsidised rates.
- Government can take steps to lower price of housing, making it more affordable.
- Governments can improve the market conditions to facilitate home ownership among citizens by making mortgages and other home loans more readily available.



Housing policy was reformed after 1970, when political support for council housing was inhibited by the Fundamentalists (UN-Habitat, 2000). In European countries, there is a general agreement that enough space in the field of housing should be given over to the forces of market mechanisms (European Union, 2002). Under these rules, the provision of State aid is banned or controlled on approval by the European Commission, in cases where the following sets out criteria are met:

- State resources, comprising the funds of municipalities, regions, the State bank, public-law and foundations.
- Some entities gain an economic advantage by acquiring properties at a price lower than the market value.
- Aid is approved systematically; hence it upsets the firmness among aid beneficiaries and their competitors.

Article 25 of the General Declaration of Human Rights stipulates that adequate housing is a basic human right. In the declaration issued in connection with the UN's Habitat sessions in Istanbul in 1996 and New York in 2000, the following provisions were added: 'Equal access to adequate, accessible housing must gradually be ensured for all citizens and their families.' The basic goal of any housing policy is to pursue a best negotiation between the open market and housing regulation. Most elements of the administrative-based approach of assignment have been removed from the housing policy to make way for instruments focusing on the support of new construction, the repair of the housing stock, and an increase in the availability of housing for the population, which are in line with similar instruments used in developed European countries.

The situation is complex by the lack of definite vital legal provisions, the struggle of imposing the law, and the low legal consciousness of the public sector. The aim is to make market-compliant instruments compatible with the EU rules, assisting all citizens, based on their capacity of higher or lower contribution, to draw on instruments for the purchase of housing, and to



PTTA AUTHM
PERPUSTAKAAN TUNJARI AMINAH

guarantee decent, adequate low cost housing for those citizens who are not capable of such contribution (UN Habitat, 1996, 2000). The tough concern of removing distortions in housing must be attacked so that it complies with the standard of European free-market affairs while ensuring defence for tenants (UN Habitat, 1996, 2000). Municipalities are expected to focus their housing policy on those households which were most poor in terms of access to housing. The basic framework of legal instruments for the provision of housing expects that:

- Instruments are available for Citizens with an above-average income level to finance owner-occupied housing.
- There are building saving schemes for Citizens with middle-of-the-road incomes.
- There is a newly designed sector of non-profit housing provided by municipalities via non-profit housing companies for citizens with lower incomes.
- Municipal flats are constructed for citizens with low incomes and on the periphery of society which draw on the resources of the Ministry for Regional Development and State Housing Development Fund.

However, in table 2.2 below, basic framework instruments for the FLCH provision according to the UN Habitat, (1996, 2000) has been clarified.

Table 2.2. Basic framework Instruments for Housing Provision

S/n	Income Level	Instrument Available	Type of Housing Unit
1.	Above – Average	Mortgage facility	Owner – Occupier
2.	Middle – Income	Building Saving Scheme	Rented Flats
3.	Low – Income	Non-profit Housing Scheme	Municipal Flats
4.	Low-income on peripheries	Ministry for Rural Development	Municipal Flats

Source: UN Habitat, (1996, 2000).

2.2.2 Objectives of Low Cost Housing Policy

Whichever future policy designed to achieve sustainable housing development for the low cost housing should necessarily be designed to meet the following objectives:

- Must provide the basis for household improvement. Few poor families fail to notice if the effect of such policy led to an improvement or otherwise in their particular case. That is the acid test for the lower income groups. Site and services failed because it left the lowest one-fifth of the income distribution behind, this forgotten fifth integral part of the population participate in the improvement as well (UN Habitat, 2000).
- Policies could result in sustainable housing development concerned with the improvement of poor people. At least 50% of the urban population in the developing world has been marginalized. Not only they must be heard by decision makers, they must have influence on matters affecting their future destinies (UN Habitat, 2000).
- Policies must be to psychologically give this lower segment a feeling of self-worth (UN Habitat, 2000).

2.3 Concept of Low Cost Housing Affordability for the Low Income Groups

Affordable housing means the need for assistance to lower income household employed (Berry, et.al, 2004). Universal Declaration of Human Rights declared that: “Everyone has right to a standard of living adequate for health and wellbeing of himself and his family, including food, clothing, housing and medical care and necessary social services” (UN-HABITAT, 2002). In the UK housing policy context, in their statement in their White Paper: Fair Deal for

Housing in 1971, policy aimed to achieve a “Decent home for every family at a price within their means”. However, the Department of Environment, Transport and Regions (DETR, 2000), defined Affordable Housing as follows: “Affordable housing can be classified as a social housing at typically low, sub market rents and can also include other forms of sub market housing such as intermediate rent and low cost ownership such as shared ownership”.

The Department of Environment, Transport and Regions (DETR, 2000), also, defined Policies for Affordable Housing in their Green Paper (DETR, 2000) as follows: “Policies for affordable housing must cater for a range of needs; for people whose incomes are well below the levels required for sustainable homeownership and who are likely to need to rent their homes on a long term basis; for people who aspire to homeownership but can only afford properties in lower prices range; and for people with special needs who may require both subsidized accommodation and appropriate support in order to live in it successfully...”. Low cost housing is defined according to its selling price of RM25, 000 per unit. Ministry of Housing and Local Government (1998) has further laid down the following guidelines for this Category of housing:

- The target group consists of household with monthly incomes up to RM750
- The type of houses may include flats, terrace or detached houses
- The minimum design standard specifies a built-up area of 550-600 square feet, consisting of two Bedrooms, a living-room, a kitchen and a bathroom.

Affordability is defined as being able to pay without suffering financial hitches. Things are considered unaffordable even when income can afford the cost of the item; affordability is not an inherent characteristic of housing, but a relationship between income and relative prices (DETR, 2000). Glaser & Gyourko (2003) states that the ability to pay measure confuses poverty with housing prices, and that income should form no part of affordability



considerations. Ability to pay is a crucial element of housing affordability, when we refer to the affordability of an item; we are usually talking about the amount of financial stress that the purchase would place on the buyer. Affordability can generally be thought of as a range, which is itself a relationship between income and relative prices. There is difference between the concepts of affordability as it applies to housing and as it applies to other goods. Affordability inevitably involves the cost of housing unit, its quality, household income and non-housing necessities after meeting the housing expenditure. Standards of utility and infrastructure had to relate to low income household realities where some 65-85% of spending was allocated to food and substance (Pugh, 2001a).

Affordable housing, however, is a housing unit which is within the reach or capability of people in the various income groups. The lower household income invariably means lower affordability of the housing units. Affordability is a matter that involved all the parties in the housing arena irrespective of whether they are public or private. Affordable housing for the low income groups must be viewed as an integral part of an integrated housing and community development (Kribanandan, 1994). The elements below must be taken into account before providing affordable house to the low income groups; Government's roles as the facilitator, building design and construction methods, culture, value system and socio political elements, physical environmental elements and comfort levels, health, safety and security measures, income generating activities (incentives), long term maintenance requirements and replace ability of components of the structure (Kribanandan, 1994).

2.3.1 Low Cost Housing Affordability Plan

The FLCH unit is the dependent variable in respect of which all the affordability elements which are the independent variables in this study represent the inputs or causes, tested to see the extent to which they determine

either affording or otherwise. Figure 2.1 shows the interrelationship between the individual household head and the low cost housing unit. The household has as his utmost quest the housing unit, consideration ranges from the availability of the house to its design. Culture driven household prefers the design that respects his morale and belief plus the rivalry of his race. When this is achieved, he now considers the location as many cultures prefers house in their ancestral neighbourhood (Wally, 1993). Smart Home Design enables different people to live a better life (Dewsbury, 2001). It is important to facilitate matching of low cost housing Design to user needs (Curry et al. 2001; Doughty, 2000). Adaptation of culture in new Site & situations (Scott and Tilly, 1998) is equally important in the design of low cost houses for the low income earners. These scholars suggest that low cost housing should be design bearing in mind the family bond of the low income groups or beneficiary of the components. Affordability is the next hurdle for the LIGs as their earning is usually low because of low education level. They opt for any available facility for their mission to be accomplished. No scrutiny whatsoever regarding the interest rate on the facility, they accept the facility, with all the accumulating and hidden charges to gain roof over their heads.

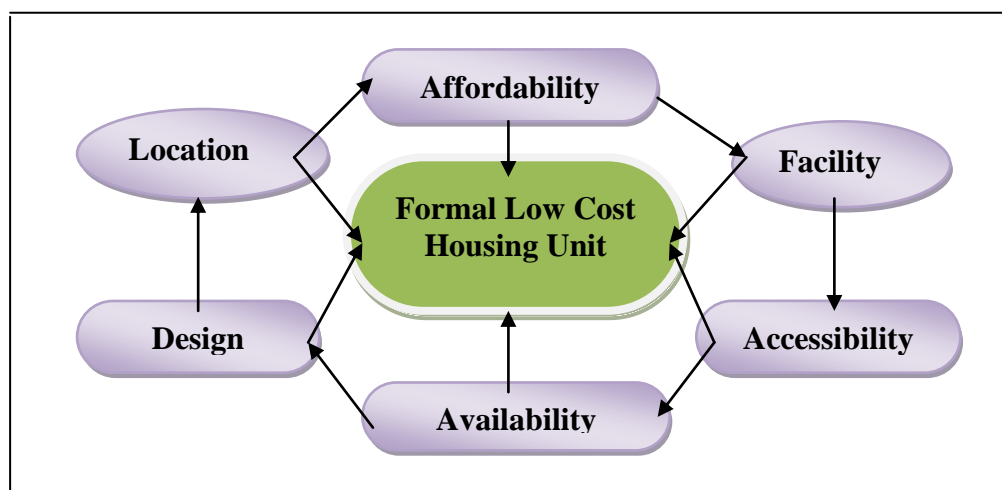


Figure 2.1 Analytical Frameworks for Housing Affordability

Source: Low income housing in India, (2011).

REFERENCES

- Abdul-Aziz, W. (2007). *Low-cost housing policy in Malaysia: a challenge in delivery*. Unpublished Ph. D thesis University of Dundee 308 pp.
- Ader, H.J. (2008). *Phases and initial steps in data analysis*. In H.J. Adèr & G.J. Mellenbergh (Eds.) (with contributions by D.J. Hand), *Advising on Research Methods: A consultant's companion* (pp. 333–356). Huizen, the Netherlands: Johannes van Kessel Publishing.
- Agbola, T. (1990). Affordability and cost recovery in shelter projects: the case of Nigeria. *Third World Planning Review*, 12 (1), 59- 73. An analysis of Abuja Master Plan scheme and the revalidation of certificate of occupancy. *Housing Studies Association Conferences, 9th- 10th September*. Belfast, U.K.
- Agus, M. R. (1997). *Housing the Nation: Historical Perspective on Housing Development*. Cagamas Berhad, Kuala Lumpur.
- Archambault, S. & Schloesser, N. (2000). Psychology Department, Wellesley College Publishers.
- Aribigbola, A. (2008). Housing policy formulation in developing countries: evidence of programme Implementation from Akure, Ondo state, Nigeria. *Journal of Human Ecology*, 23 (2) 125- 134.
- Awotona, A. (1990). Nigerian government participation in housing: 1970-1980. *Habitat International*, Vol. 14(1) 17-40.
- Ball, M. & Harloe, M. (1992). Rhetorical Barriers to Understanding Housing Provision: What the Provision Thesis is and is not. *Housing Studies* (7) No. 1. 3-15.
- Baken, R., & Van der Linden, J. (1993). Getting the incentives right. *Third World Planning Review*, 15, 1-22.
- Batu Pahat, (2012). Batu Pahat Municipal Council. Majlis Perbanderan, Batu Pahat.
- Berry, M. Whitehead, C. Williams, P. and Yates, J. (2004). *Financing Affordable Housing: A Critical Comparative Review of the UK and Australia*. Housing and Urban Research Institute. Swinburne-Monash, Ahuri Research Center, Melbourne.



PTTA
PERPUSTAKAAN TUN AMINAH

- Borgatti, P. S. (1999). *Theoretical Framework and Concepts*. Copyright ©1996-8 Revised: September 07, 1999
- Burke, P. J. (2004). Identities and social structure: The 2003 Cooley-Mead Award Address. *Social Psychology Quarterly*, 67, 5-15.
- Blanchard, O. (2011). *Macroeconomics Updated (5th ed.)*. Englewood Cliffs: Prentice Hall. ISBN 978-0-13-215986-9.
- Curry, C. et al. (2001). *The Psychological and Social Impact of Illness and Disability*. Springer Publishing Company.
- Chiu, R. (2002). Housing Reform in a Marketed Socialist Economy: *The Case of Shanghai, Urban Policy and Research*, Vol. 18(4) pp. 455-468.
- Dewsbury, A. (2001). *Comparative Perspectives in Modern Psychology*.
- DETR, (2000). Department of Environment, Transport and Region. United Kingdom. Available at: http://www.odpm.gov.uk/stellent/groups/odpm_housing/documents/odpm_house_601701.pdf. [20 May, 2005]
- Dodson, J. & Sipe, N. (2006). *Shocking the Suburbs: Urban Location, Housing Debt and Oil Vulnerability in the Australian City*, Research Paper 8, Urban Research Program, Griffith University (www98.griffith.edu.au); at www98.griffith.edu.au/dspace/bitstream/10072/12665/1/41353.pdf.
- Donovan, S. (2010). U. S. Department of Housing & Urban Development. Title 42 - The Public Health and Welfare Chapter 130 - National Affordable Housing Subchapter II- Investment in Affordable Housing.
- Doughty, C. E., & Gulden, M.L. (2008). Are tropical forests near a high temperature threshold? *J. Geophysics. Res.*, 113, G00B07, doi: 10.1029/2007JG000632, (printed 114(G1), 2009).
- Dictionary of Sociology, (1998). Oxford University Press, 2nd Edition. United Kingdom.
- Drakkis-Smith, D. (1998). *The Third World city*. London: Methuen. Urbanization, Housing & Urban Development Process. Room Helm, London.
- DTZ New Zealand, (2004). "Housing costs and affordability in New Zealand." Wellington, Centre for Housing Research New Zealand – Kainga Tipu.



PTT PERPUSTAKAAN TEKNIK DAN TEKNOLOGI

<http://www.hnzc.co.nz/chr/pdfs/housing-costs-and-affordability-master-report.pdf>

Edwards, M. & Wooding, R. (1991). *The National Housing Strategy. Australia experiencing serious housing affordability issues.*

Economic Planning Unit (1996). *Seventh Malaysian Plan (1996-2000).* Percetakan National, Kuala Lumpur.

Economic Planning Unit (2001). *Eight Malaysian Plan (2001-2005).* Percetakan National, Kuala Lumpur.

Economic Planning Unit (2003). *Mid Term Review of the Eight Malaysian Plan (2001-2005).* Percetakan National, Kuala Lumpur.

Ezeanya, C.A. (2004). *Malaysian Housing Policy: Prospects and Obstacles of National Vision 2020.*

Professor, Dr. Edstrom, O. (2006). *Final Report on Sweden and Final Table on Sweden Done By the Odysseus Network for the European Commission On The Implementation of the Directive on Reception Conditions For Asylum Seekers In: Sweden.*

European Union (2002). *European Council held in Barcelona, Spain. The Council focuses on economic, social and environmental issues*

Fan, Y. & Huang, A. (2011). *How Affordable is Transportation? An Accessibility-Based Evaluation, CTS Report 11-12, Transit way Impacts Research Program, Centre for Transportation Studies(www.cts.umn.edu); at www.cts.umn.edu/Publications/ResearchReports/reportdetail.html?id=2024.*

FGN. (1991). *National Housing Policy.* Lagos: Federal Ministry of Works and Housing.

FGN. (2006). *National Housing Policy.* Abuja: Federal Ministry of Housing and Urban Development.

Fortune-Ebie, S. (2006). *The national housing policy: the way forward. Paper presented at the Workshop on Mortgage Finance, 29th- 30th August.* Abuja: FMHUD.

Fisher, P. & Collins, T. (1999). *The Commercial Property Development Process. Property Management, Vol. 17, No.3, 1999, pp219-230.* MCB University Press, 0263-7472.



PTT
PERPUSTAKAAN
TUNKU
TUN
AMINAH

- Freeman, A., Chaplin, R. & Whitehead, C. (2007). *Rental Affordability: A Review of International Literature*, Cambridge, University of Cambridge.
- Glaser & Gyourko, (2003). The Rise of the skilled cities. On line web http://www.economics.harvard.edu/faculty/glaeser/papers_glaeser
- Gray, E. D. (2004). *Doing Research in the Real World Published Publisher SAGE Publications Ltd. ISBN 9780761948797.*
- Gore, T. & Nicholson, D. (1991). Models of Land Development Process: A *Critical Review. Environment and Planning. Vol.23 pp705-730.*
- Harris, R. (2003). Learning from the past: international housing policy since 1945- an introduction. *Habitat International, 27*, 163-166.
- Healey, P. & Barrett, S.M. (1990). Structure and Agency in Land and Property Development Process: *Some Ideas for Research. Urban Studies. Vol. 27, No.1.pp89-104. Pergamon Press, UK.*
- Hew, C. S. (2003). The Impact of Urbanization on Family Structure: *The Experience of Sarawak, Malaysia. Academic journal article from SOJOURN: Journal of Social Issues in Southeast Asia, Vol. 18, No. 1.*
- Housing Development (Control & Licensing) Act. (Act 118) 1966 (2003). International Law Book Services. Kuala Lumpur.
- Housing and Development Board Annual Report, (2009/2010). The Singapore Experience.
- Housing Annual Report , (2010). New South Wales Department of Housing. Sydney: Department of Family and Community Services. 2011. pp. 110–131.
- Hulchanski, D. (1995). The Concept of Housing Affordability, *Housing Studies*, Vol. 10, No4, pp 471-492.
- Ikejiofor, U. (1997). The private sector and urban housing production process in Nigeria: a study of small-scale landlords in Abuja. *Habitat International, Vol. 21(4)*, 409-425.
- Ikeojifor, U. (1999b). The God that failed: a critique of public housing in Nigeria, 1975- 1995. *Habitat International, Vol.23 (2)*, 177- 188.
- Jayanath, A. (2010). Independent Public Policy Professional, Kuala Lumpur, Malaysia: Online interview with the Malaysian Insider.



PT. PAKSIAM
PERPUSTAKAAN TUN AMINAH

Available online at: <http://my.linkedin.com/pub/jayanath-appudurai/10/a41/195>

Johnson, S. D.; John, M.; Rogers & Tan, L. (2001). "A Century of Family Budgets in the United States," *Monthly Labour Review* (www.bls.gov/opub/mlr/2001/05/art3full.pdf), May 2001, pp. 28-46.

Keivani, R., & Werner, E. (2001a). Refocusing the housing debate in developing countries from a pluralist perspective. *Habitat International*, Vol.25: 191- 208.

Keivani, R., & Werner, E. (2001b). Modes of housing provision in developing countries. *Progress in Planning Vol.55*, No.2, pp 65-118. Pergamon Press. UK.

Krejcie, R.V. & Morgan, D. W. (1970). Determining Sample Size for Research Activities Small-Sample Techniques. *The NEA Research Bulletin*, Vol. 38 P. 99.

Kribanandan Gurusamy Naidu. (1994). *Modern day construction: The need for a multi-disciplinary approach*. 1 edition published in 1993 in English and held by 5 libraries worldwide.

Latham, A. (2010). How Do I Get a Tax Credit for Home Improvements? Resources. IRS: Publication 52.3 Available @<http://homeguides.sfgate.com/tax-credit-home-improvements-7337.html>

Mabogunje, A. (2003). 2002 national housing and urban development policy: catalyst for mass housing delivery in Nigeria. *Lead paper presented at 2nd Abuja International Housing Summit, April 27th- 29th*. Abuja.

Mabogunje, A. (2004). Challenges of the new national housing policy: the re-structured FMBN and the problem of the weakest link. *Paper presented at the Retreat for staff of the FMBN, December 2-4*. Katsina: FMBN.

MacLennan & Williams, (1990). *Home Ownership: Getting In, Getting From, Getting Out*, Part 1 edited by P. J. Boelhouwer, J. F. Doling, Marja Elsinga.

Mahavera, S. (2010). A freelance writer of many bureau postings, political atrocities, crime scenes, pre-Islamic healing & dikir barat rock concerts. Kuala Lumpur, Malaysia.



- Malaysia, I. (2010). Online web: charles hector.blogspot.com/2011/05/Malaysians-poverty-rate-3.8-or-over-30.html
- Malpezzi, S. (1994). Getting the incentives right- a reply to Robert-Jan Baken and Jan Vander Linden. *Third World Planning Review*, 16, 451-466.
- Malpass, P. & Murie, A. (1994). *Housing Policy and Practice*. 4th Edition. MacMillan Press Ltd. London.
- Map of Batu Pahat, (2012). Administrative map, Image is available at: [http://www.google.com.my/imgres?imgurl=http://www.mpbp.gov.my/image/image_gallery%3Fuuid%3D89ac8bfd-720e-4edd-82a9-3f6a1326d4e1%26groupId%3D15003%26t%3D1352342355878&imgrefurl=http://www.mpbp.gov.my/en/panduan-ke-batu-pahat;jsessionid%](http://www.google.com.my/imgres?imgurl=http://www.mpbp.gov.my/image/image_gallery%3Fuuid%3D89ac8bfd-720e-4edd-82a9-3f6a1326d4e1%26groupId%3D15003%26t%3D1352342355878&imgrefurl=http://www.mpbp.gov.my/en/panduan-ke-batu-pahat;jsessionid%3D1352342355878).
- Map of Bauchi, (2012). Administrative map of Bauchi town. Available at: <http://zodml.org/Nigeria/Geography/Bauchi%20State/#.UiBVLxvrz7Q>.
- McCann, B. (2000). Driven to Spend; The Impact of Sprawl on Household Transportation Expenses, STPP: www.transact.org.
- Meier, K.J. & Hicklin, A. (2008). Employee turnover and organizational performance: A theoretical extension and test with public sector data, *Journal of Public Administration Research and Theory*. 18(4): 573-59.
- Moh, B. (2012). Ministry of Housing and Land Development. Data and Housing statistics section, Bauchi.
- Montague, R.W. (2004). The determinants of employee voluntary turnover in nursing homes. The University of Iowa. Digital Dissertations. Retrieved at: www.lib.umi.com/dissertations January 16, 2009.
- Mukhija, V. (2001). Enabling slum redevelopment in Mumbai: policy paradox in practice, *Housing Studies*, 16, 791–806.
- Mukhija, V. (2004). The contradictions in enabling private developers of affordable housing: a cautionary case from Ahmedabad, India. *Urban Studies*, Vol. 41 (11), 2231-2244.
- National Housing Department (2001). *Housing Statistics Bulletin*. Research and Development Division, National Housing Department, Malaysia.



PTTA UTHM
PERPUSTAKAAN TUN AMINAH

- Northern Ireland Planning, (1991). The Planning Order statutory Instrument no. 1220 (N. I.11). Coming into operation in accordance with Article (1), (2) & (3) <http://www.legislation.gov.uk/nisi/1991/1220/contents/made>
- Nor, M. A. (2009). *Statistical methods in Research*. Published by Prentice Hall. Pearson Malaysia Sdn Bhd. Lot 2, Jalan 215 off Jalan Templer 46050 Petaling Jaya, Selangor, Malaysia. Fax: 03-77853435. ISBN: 978-983-3927-95-1
- Ogu, V. I. (1999). Housing enablement in a developing World city: The case study of Benin City, Nigeria. *Habitat International*, Vol.23 (2), 231- 248.
- Ogu, V. I., & Ogbuozobe, J. E. (2001). Housing policy in Nigeria: Towards enablement of private housing development. *Habitat International*, 25, 473- 492.
- Ogunshakin, L., & Olayiwola, I. (1992). The collapse of official housing policy in Nigeria. *Habitat International*, 16(1), 41-53.
- Ogwumike, F. O., & Ogunleye, E. K. (2008). Resource-led development: an illustrative example from Nigeria. *African Development Review*, 20 (2), 200- 220.
- Ortiz, E. (1996). Housing for all: the challenges for world's governments. *Environment Impact Assessment*, 16, 439-442.
- Peter Berger, (1992). *The Sacred Canopy - Elements of a Sociological Theory of Religion* 45 Intervarsity Press, ISBN 0-8308-2779-X
- Principles of Public & Private Participation, (2008). Co-intelligence.org Online [web:http://www.co-intelligence.org/CIPol_publicparticipation.html](http://www.co-intelligence.org/CIPol_publicparticipation.html)
- Pugh, C. (2001). The Theory and Practice of the Housing Sector Development for Developing Countries.1950-1999. *Housing Studies*.Vol.16, No.4, pp399-423.
- Pugh, C. (1994a). Housing policy development in developing countries: the World Bank and internationalisation, 1972-1993. *Cities*, 11 (6), 357-371.
- Pugh, C. (1994b). The idea of enablement in housing sector development. *Cities*, Vol. 11 (6), 357- 371.
- Sandhu, K., S., & Aldrich, B., C. (1998). Third world housing: The future is now. *Habitat International*, 22 (3), 209-213.



- Sale, A., G. (2008). Neighbourhood factors in private low-cost housing in Malaysia. *Habitat International*, 32, 485-493.
- Sarantakos, S. (2004). Social Research. Publisher: Palgrave Macmillan; 3rd edition. ISBN-10: 1403943206, ISBN-13: 978-1403943200
- Schmuecker, K. (2011). The Good, the Bad and the Ugly: Housing demand 2025. . © ippr 2011. Institute for .Katie Schmuecker LV D VHQLRU UHVHDFK IHOORZ DW LSSU QRUWK.
- Scott & Tilly (1998). Gender Planning and Development: Theory, Practice and Training.
- Sengupta, U., & Tittle, A., G. (2006). The performance of public-sector housing in Kolkata, India, in the Poster form Milieu. *Urban Studies*, Vol. 44, No. 10, 2009–2027.
- Shire, W. (2006). Report. Archived from the original on 2006-10-11. Retrieved 2006-11-04. - commissioned by Department of Local Government and Regional Development.
- Syafiee, S. (2005). Low Income Housing Provision in Malaysia: The Role of State and Market
- STPP (2003). Transportation Costs and the American Dream: Why a Lack of Transportation Choices Strains the Family Budget and Hinders Home Ownership, Surface Transportation Policy Project (www.transact.org).
- Sulaiman, N.; Baldry, D. & Ruddock, L. (2005). 'International Comparative Study of Housing Provision: An Initial Study of the Position of Malaysia'. *Proceedings of the 5th International Postgraduate Research Conference. April 11-15, 2005, University of Salford.*
- Sulaiman, N.; Baldry, D. & Ruddock, L. (2005). 'Can Low Cost Housing in Malaysia be Considered as Affordable Housing?' Research Institute for the Built and Human Environment (BuHu), University of Salford, Salford Greater Manchester, M7 9NU
- Trochim, W. M. K. (2006). "Descriptive statistics". *Research Methods Knowledge Base*. Retrieved 14 March 2011.
- Tilly, S. (2005). "Tsunami lifesaver visits UN". *New Straits Times*, p. 27
- Tsenkova, S. (1998). 'Private House Building and Housing Markets in Transitional Economies: The case of Bulgaria'. Doctor of Philosophy Thesis. Department of Geography, University of Toronto.



PTIA UTHM
PERPUSTAKAAN UNIVERSITI TEKNIKAL MALAYSIA MELAKA

- UNESCO, (1998). Improving Living Environments for the Low-Income Households in Saudi Arabia. Available online at: <http://www.unesco.org/most/mideast3.htm>Homepage: <http://www.sustainabledevelopment.org/blp/Database:> <http://www.bestpractices.org/>
- UN-Habitat, (2000). The Poor and Poor Land Management: Integrating Slums into City Planning Approaches. United Nations, New York 11- 31339—June 2011—31 000 Sales No. E.11.I.10
- UN-Habitat, (2002). Housing Rights Legislation. Review of International and Legal Instruments. UN- Habitat. Nairobi, Kenya.
- UN-Habitat, (2005). *Financing urban shelter: global report on human settlements*. London: Earth scan.
- United Nations Human Development Report, (2006). Beyond scarcity: Power, poverty and the global water crisis. Published for the United Nations Development Program (UNDP) Copyright © 2006 by the United Nations Development Program 1 UN Plaza, New York, New York, 10017, USA ISBN 0-230-50058-7
- United Nations Human Development Report, (2011). Sustainability and Equity: A Better Future for All. Published for the United Nations Development Program (UNDP). United Nations Development Program 1 UN Plaza, New York, New York, 10017, USA ISBN 0-230-50058-7.
- Wally, S. (2008). *Weathering the storm: Working-class families from the industrial revolution to the fertility decline*. Published by; Verso, 1993; Digitalised 15th may 2008. ISBN 0860913333, 9780860913337.
- Webster Encyclopaedia, (2005edition). The new Webster International Encyclopaedia.
- Whyte, J. Fitz Gerald, G. (1991). Northern Ireland Planning: *Interpreting Northern Ireland*, Oxford: Oxford University Press.
- World Bank, (1993). *Housing: enabling markets to work*. Washington, D.C: World Bank.
- World Guide to Libraries, (2011). De Gruyter Saur, 25th ed. ISBN 9783110230710
- Yeboah, S. (2005). Sea Surface Height Variability and the Structure of Eddies in the South Atlantic Cape Basin. Ph.D. Dissertation, University of Rhode Island, Narragansett.



PT. AL-FALAH
PERPUSTAKAAN TUNJUK SAMANAH

Yusoff, N. (1993). 'A Cultural Appropriate and Economically Sustainable Housing Delivery System for Malay Urban Low Income Households in Malaysia'. Doctor of Philosophy Thesis. Graduate College of Texas A & M University.



PTTA UTHM
PERPUSTAKAAN TUNKU TUN AMINAH