

## **Domains and Indicators of Consumer Legal Literacy in Malaysia**

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### **ABSTRACT**

Legal literacy is one of the important aspects of consumer empowerment. The objective of this paper is to determine the domains and indicators of legal literacy in Malaysia. The methodologies used are a combination of qualitative and quantitative research. The qualitative method utilised a Focus Group Discussion (FGD) technique, while the data for quantitative method were gathered through a survey. The findings of the FGD reveal that there are eight domains of consumer legal literacy that are based on consumer rights. The rights are the right to basic needs, the right to safe goods and services, the right to information, the right to make a choice, the right to be heard, the right to get compensation, the right to consumer education and the right to life in a healthy and safe environment. However, the results of the factor analysis revealed five domains, which are the right to safe and quality goods and services, the right to compensation, the right to consumer education, the right to be informed of financial matters and the right to be heard and to obtain information. Altogether, there are 46 indicators for measuring consumer legal literacy. The domains and indicators can be used to develop a Malaysian Legal Literacy Index and provide the instruments for measuring legal literacy in Malaysia.

*Keywords:* Literacy, protection, right, consumer, Malaysia, empowerment

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### **INTRODUCTION**

Literacy is essential for consumers as it enables them to protect themselves, especially in today's complicated market. Knowledge and education have a strong

relationship with consumer empowerment (Duflo, 2011) as literacy equip consumers with the knowledge with which to protect their interests when dealing with suppliers (Worsfold, 2006). Consumers can gain knowledge through formal and informal education. Consumer confusion can be avoided through knowledge. Knowledge that is essential for consumer empowerment includes financial literacy (Ruppar, 2017; Gathergood & Weber, 2017; Elistina, Afida, Husniyah et al., 2017) health literacy and legal literacy, the possession of which will lead to proper decision making among consumers.

The law is used to protect consumers in the bargaining process, during the period of the enforcement of a contract and also afterwards. According to Norhafifah, Elistina and Zuroni et al. (2016) and Nurazlina, Elistina and Aini (2015), legal literacy is important for empowering the consumer. Consumer empowerment comes from possessing the right to get detailed information, to get copies of an agreement, to cancel the contract, to receive rebates and to compensate against suppliers of goods and services. The Consumer Protection Act 1999 (CPA) is not applicable only to transactions that satisfy certain requirements. The main requirements are that the injured party must be a consumer, the subject matter must be among the services or goods covered under the Act and it must be supplied by a supplier. Therefore, only a consumer can make a claim against a supplier under the CPA. According to Section 3 of the CPA, consumers are those who acquire or use

goods or services of a kind ordinarily for personal, domestic or household purposes but not for the purpose of resupplying them in trade or consuming them in the course of a manufacturing process. It is clear from the definition that a consumer can either be the one who buys or uses the services. The ideal part of the definition is that there is no contractual relationship required and therefore, the CPA imposes new statutory obligations on suppliers to protect end-users who may be either customers or not. Another requirement is that the goods supplied must not be for the purpose of resupplying them in trade or consuming them in the course of a manufacturing process. Therefore, it is clear that if a consumer bought three packets of flour with a false *halal* logo, she cannot claim compensation under the CPA if she had bought it for the purpose of baking cakes and selling them for trade transactions. This is because she is not considered a consumer under the CPA. This definition is important because it describes the characteristics of the consumers that enable them to claim compensation at the Tribunal for Consumer Claims when their rights are violated.

Before the enactment of the CPA, consumers were protected indirectly by various statutes (Afida, Elistina, & Syuhaily, 2014). However, by virtue of the CPA 1999, consumers are directly protected through the existence of the National Consumer Advisory Council and the Tribunal for Consumer Claims. However, a comprehensive law remains unhelpful if consumers are not aware of its existence. Only consumers who are knowledgeable

about consumer legal literacy will know their rights and responsibilities (Zumilah, 2002). This has been reflected by the number of complaints filed by consumers. For example, 48,563 claims were reported by the National Consumer Claim Centre (NCCC) in 2016, a figure slightly increased from that of the year 2015, when 44,540 claims had been filed (NCCC, 2016). This will indicate that consumers do know of their right to be heard.

Nardo, Loi, Rosati and Manca (2011) developed the Consumer Empowerment Index (CEI), among which skills, awareness and good practices are the main components. The index highlights that consumers need to possess skills, be aware of their rights under the law and practise good consumer behaviour before they can be considered as empowered consumers. Nevertheless, the instruments to measure skills and awareness in the CEI are limited, with only six items for skills and another seven for awareness (Nardo et al., 2011). An instrument to measure consumers' legal literacy has never been developed abroad or in Malaysia. Thus, this study was undertaken to develop the domains and indicators of a Consumer Legal Literacy Index.

The importance of a consumer legal literacy can be explained through several theories such as the Cognitive Theory by Jean Piaget (1964) and Empowerment Theory by Perkin and Zimmerman (1995). The Cognitive Theory explains the learning processes of human behaviour based on information or experiences by human beings. According to Lefrancois (2012),

this theory has produced some concepts on how the cognitive process of learning can occur through experiences. This is true especially for consumers as most of their knowledge and decisions are shaped from past experiences.

Another relevant theory is the Empowerment Theory (Perkin & Zimmerman, 1995). Empowerment is a combination of process and outcome. Process refers to activities such as consumer education, which includes imparting knowledge, while outcome is the stage of effectiveness when empowerment power is given to the individual or community. For example, information that has been obtained by consumers will empower them while consuming goods and services (Mcgregor, 2003). Furthermore, the asset of this theory is the process of understanding the development of the individual, including the development of organisation and community. This theory is in line with the Basic Consumer Strategy European Unity (EU) that was in use from 2007 to 2013 and which comprised several components that included knowledge, skills and involvement of consumers in the market (Nardo et al., 2011).

Both theories focus on one aspect, which is to provide education or literacy for an individual to get better life. Some studies have shown that consumers always lack knowledge to protect themselves, especially among low income-earners, including single mothers, people with disabilities and consumers who have a low level of education (Schetzer, 2008). This is due to the

fact that the law is not easy to comprehend if people are not exposed to a sufficient level of knowledge. Sage, Menzies and Woolcock (2010) have clarified that the legal system is a difficult system to comprehend and access by individuals. In fact, some researchers like Wook, Kamalrudin and Norain (2011) have questioned whether consumers in Malaysia are aware of their right to file a claim for defective items.

Therefore, the law is important on behalf of consumers because without recognising their rights, consumer will never fight to acquire them. For example, Howells (2005) claimed that the law on advertisements and trade descriptions provides for the right to information among consumers; however, the consumers themselves must exercise their rights by seeking and understanding the information provided. Micklitz, Reish and Agen (2011) have found that the law also affects how consumers process the information received because their cognitive ability will assist them in solving issues. Abdul and Siffat (2013) and Beale (2004) in their studies also highlighted the importance of legal literacy, particularly in understanding a contract before it is signed. By understanding a contract, any misunderstanding occurred during the enforcement period of the contract such as confusion about the payment of goods can be avoided (Suzana, Azimon, & Sakina, 2011).

As the whole, consumer education is very important for consumers' self-protection and empowerment and

educational programmes should focus on consumer literacy for guarding the rights and responsibilities of consumers under the law (Bannister, 1996; Wan, Kamariah, Norela, & Halimah, 2001). Nevertheless, the difficulty is that there are no standard indicators to determine legal literacy, and therefore, this article intends to explain the domains and indicators of consumer legal literacy based on Malaysian law.

## **MATERIALS AND METHODS**

This study utilised both qualitative and quantitative research methodologies. Nevertheless, the focus of the study was limited to Peninsular Malaysia since certain Acts such as the Housing Development (Control and Licensing) Act 1966 are only applicable within Peninsular Malaysia. The qualitative methodology adopted the Focus Group Discussion (FGD) technique, while the data for quantitative study were gathered through a survey. The FGD is important as participants can discuss and come to an agreement on an issue. Interaction among participants may be more informative than interviews that are individually conducted (Casey & Kruger, 1994).

Three sessions of the FGD were conducted to identify the domain and indicators of legal literacy. Three sessions were conducted so that input can be sought from different perspectives. The first session of the Focus Group Discussion (FGD) was held on 14 January, 2013 involving academicians who were experts in various fields of consumer law such

as agriculture, food, contracts, supply of goods, product liability, consumer safety, tort and communications and information technology. These experts were chosen because they were familiar with consumer law and were deemed able to identify which parts of the law needed to be emphasised. The second FGD was conducted on 22 March, 2013 comprising six respondents who represented non-governmental organisations (NGOs) as well as six respondents from relevant ministries. The NGOs were chosen because they were actively involved with consumerism and understood consumer needs. The NGOs involved were the Federation of Malaysia Consumer Associations (FOMCA), Malaysian Consumer and Family Economics (MACFEA), Muslim Consumer Associations of Malaysia (PPIM), Consumer Safety Association Kuala Lumpur, Consumer Forum of Malaysia (CFM) and the Counselling Agency and Credit Management (AKPK). The ministries involved were the Ministry of Domestic Trade, Cooperatives and Consumerism and the Ministry of Health, while the Tribunal for Consumer Claims and the Tribunal for Homebuyer Claims also participated in this FGD to represent redress mechanism agencies in Malaysia.

Lastly, the third FGD was conducted on 26 April, 2013 comprising seven respondents who represented different segments of consumers. They were a housewife, a university student, a working man and

woman, a school teacher, a businessman and a retiree. Feedback from consumers is important as they are the main stakeholders in this study and their viewpoints are crucial for understanding their problems. Other than to identify the domains and indicators of consumer legal literacy, the results of these three FGD were also used to develop survey instruments.

Quantitative research methodology was also used in this study. Respondents were chosen through stratified random sampling. First, Peninsular Malaysia was divided into four zones, North, South, East and West. Then, only one state was picked randomly from each zone through simple random sampling. The selected states were Pulau Pinang to represent the North Zone, Negeri Sembilan to represent the South Zone, Selangor to represent the West Zone and lastly, Kelantan to represent the East Zone. Then, two districts were chosen to represent each state. Overall, a total of 500 respondents participated in this study. According to Salant and Dillman (1994), a total of 384 respondents can be used to represent populations that exceed one million.

## RESULTS AND DISCUSSION

### Focus Group Discussion

The definition of consumer legal literacy was first of all ascertained from the Focus Group Discussions (FGD), as recorded in Table 1.

Table 1  
*Definition of legal literacy*

Focus Group Discussion	Definition of Legal Literacy
FGD 1	- Literacy includes awareness, knowledge and understanding of the rights and responsibilities of consumers.
FGD 2	- Literacy means knowing how to protect one's self, being conscious of one's rights as well as being knowledgeable of one's rights and responsibilities as a consumer.
FGD 3	- Literacy means consumers know their rights and are aware of the proper channels to complain and file claims for redress.

The participants of the FGD discussions agreed that legal literacy means consumers know their rights and how to protect themselves, such as knowing the proper channels from which to claim compensation. In addition, all the FGD sessions discussed

the indicators of legal literacy based on the eight rights of consumers. A summary of the FGD discussion regarding domains and indicators of legal literacy is given in Table 2.

Table 2  
*The domains and indicators of legal literacy among Malaysian consumers*

Domain	Indicator
The right to basic needs	<ul style="list-style-type: none"> <li>- Imported foods need to be certified by the Department of Islamic Development Malaysia (JAKIM).</li> <li>- State Islamic Religious Councils have the jurisdiction to issue halal certification.</li> <li>- A halal logo must be issued by JAKIM.</li> <li>- Processed foods are required to have an expiry date.</li> <li>- A defect liability period is given for the repair of a damaged house within 24 months from the date of handing over of house keys.</li> <li>- Developers can be penalised if the construction of a house is behind schedule.</li> </ul>
The right to information	<ul style="list-style-type: none"> <li>- The label of imported goods can be either in the Malay or English language.</li> <li>- The price stated on packaging must include tax.                             <ul style="list-style-type: none"> <li>• Malaysian certificate recognition logo</li> <li>• International recognition logo</li> <li>• Standard and Industrial Research Institute of Malaysia (SIRIM) logo</li> <li>• Flammable logo</li> <li>• Hazard Analysis Critical Control Point logo</li> </ul> </li> </ul>
The right to consumer education	<ul style="list-style-type: none"> <li>- Consumers must get consumer education on their right to the following issues:</li> <li>- This includes knowledge of:                             <ul style="list-style-type: none"> <li>• House purchase</li> <li>• Bankruptcy cases</li> <li>• Sale and purchase of goods</li> <li>• Get-rich-quick schemes</li> <li>• Hire purchase</li> </ul> </li> </ul>

Table 2 (continue)

Domain	Indicator
The right for safe goods and services	- All advertisements on medicine must obtain approval from the Ministry of Health.
	- All beauty products should be registered with the Ministry of Health.
	- Traditional medicines must be registered with the Ministry of Health.
	- All electrical goods must get certification from the Standard and Industrial Research Institute of Malaysia (SIRIM).
The right to make a choice	- Pesticides such as mosquito coil and termite control must be registered with the Ministry of Health.
	- The cooling off period in direct sales is 10 working days.
	- Consumers are entitled to a refund or an exchange for defective goods although there are notices that goods sold cannot be returned or exchanged.
	- If a consumer receives an item by post that he or she had not ordered, he or she has the right not to pay for the item.
	- In direct sales, consumers may return goods without providing a reason within 10 days after purchase.
	- Consumers may change their mind within 10 working days if they get a better offer from other suppliers in online purchasing.
The right to compensation	- The buyer is entitled to a rebate for hire-purchase transactions if he pays the whole loan in advance.
	- Consumers' right to compensation is not limited to the terms and conditions in the warranty card.
	- The Tribunal for Consumer Claims can hear cases under the Malaysian Consumer Protection Act 1999.
	- The Tribunal for Consumer Claims can only hear cases not exceeding RM25,000 in value.
	- A claim for housing matters not exceeding RM50,000 can be filed at the Tribunal for Homebuyer Claims.
	- Insurance and banking cases can be referred to the Ombudsman for Financial Services.
	- Communication and Multimedia Industry cases can be referred to the Malaysia Communications and Multimedia Commission.
	- Complaints about medical practitioners cannot be referred to the Tribunal for Consumer Claims.
	- Consumers may file a complaint with the Public Complaints Bureau, Department of the Prime Minister, if they are not satisfied with services provided by government servants.
	- The clause "we are not responsible for any damages" cannot provide a defence for the supplier.
The right to be heard	- The Legal Aid Bureau will provide legal assistance for consumers who cannot afford legal assistance.
The right to live in a healthy and safe environment	- Penalties of fines and imprisonment can be imposed on individuals who cause pollution.
	- Throwing rubbish is an offence.
	- Knowledge on the recycle logo

Eight domains were identified based on the rights of consumers i.e. the right to basic needs, the right to information, the right to consumer education, the right to safe goods and services, the right to make a choice, the right to get compensation, the right to be heard and the right to live in a healthy and safe environment. The questions for the survey were later developed to measure these eight domains and indicators.

**Factor Analysis (Survey)**

A survey was carried out among 500 respondents to determine statistically the domains and indicators of consumer legal literacy based on the questionnaires that were developed through the FGD. Factor analysis is a procedure that is often used by researchers to identify and reduce a large number of questionnaire items to specific constructs under an independent variable of a study (Chua, 2009). Factor analysis in this study was conducted based on the assumption that all the factors were correlated with each other and the strength of the correlation between the items was different from one another. Therefore, items that have a high correlation should be placed in a specific construct because they can measure the same concept. Furthermore, factor analysis is a technique that reduces overlapping items. In addition, factor analysis can segregate the factors and arrange them in certain constructs under respective independent variables (Chua,

2009). The results of the Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett’s Test are presented in Table 3.

Table 3  
*Kaiser-Meyer-Olkin and Bartlett’s test*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.918
Bartlett’s Test of Sphericity	Approx. Chi Square	9411.964
	Df	1176
	Sig.	0.000

The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy was greater than 0.5 at 0.918, thus passing correlation matrices; therefore, the factor analysis could be conducted (Chua, 2009).

The Cronbach’s alpha was analysed and the results for all the factors were found to be above 0.671, indicating that the measurements were reliable and consistent (Chua, 2009). Based on the factor analysis, all the items were grouped into five groups with appropriate subheadings. The rotated component matrix indicated that the factors could be extracted into five factors based on the factor loading, which was higher than 0.4 (Chua, 2009). Thus, one item, “A house cannot be built on land with agricultural status,” was dropped since the factor loading was less than 0.4 (Chua, 2009). These five factors made up 44.20% of the consumer legal literacy index. Table 4 shows the items according to the factors.



Table 4  
Five factors of consumer legal literacy

Factor	Statement	Factor Loading	
1	- All cosmetic products should be registered with the Ministry of Health as a type of medication.	0.760	
	- Traditional medicines must be registered with the Ministry of Health.	0.730	
	- All electrical items must get certification from the Standard and Industrial Research Institute of Malaysia (SIRIM).	0.799	
	- Pesticides such as mosquito coil and termite control need to be registered.	0.788	
	- Consumers may file a complaint with the Public Complaints Bureau, Department of the Prime Minister, if they are not satisfied with services provided by government servants.	0.603	
	- Consumers must pay 10% of the purchasing house price as an advance payment.	0.585	
	- Imported foods need to be certified by the Department of Islamic Development Malaysia (JAKIM).	0.609	
	- The label of imported goods can be either in the Malay or English language.	0.533	
	- Suppliers commit an offence if they reduce the quantity of goods.	0.402	
	- Consumers should be able to recognise the SIRIM logo.	0.456	
	2	- All advertisements on medicine must obtain approval from the Ministry of Health.	0.458
		- The Tribunal for Consumer Claims can hear cases under the Consumer Protection Act 1999.	0.665
		- Claims on housing matters not exceeding RM50,000 can be filed with the Tribunal for Homebuyer Claims.	0.512
		- In direct sales, consumers may return goods without any reason given within 10 days after purchase.	0.505
- The cooling off period in direct sales is 10 working days.		0.637	
- Consumers are entitled to a refund or an exchange for defective goods although there are notices that goods sold cannot be returned or exchanged.		0.535	
- If a consumer receives an item by post without having placed an order for it, he has the right not to pay for the item.		0.470	
- Consumers may change their mind within 10 working days if they get a better offer from other suppliers in online purchasing.		0.402	
- All processed foods are required to have an expiry date.		0.692	
- A defect liability is given for the repair of damaged houses within 24 months from the date of handling over of the house keys.		0.617	
- The consumers' right to claim compensation is not limited to the terms and conditions stated in the warranty card only.		0.507	
- Consumers must be able to recognize the <i>halal</i> logo.		0.403	
3		- Penalties of fines and imprisonment can be imposed on individuals who cause pollution.	0.647
		- Throwing rubbish is an offence.	0.653
	- Consumers cannot make any modification to buildings as long as a certificate of completion has not been released by the Board of Architects Malaysia, even though the keys have been handed over by the developer.	0.529	

Table 4 (continue)

Factor	Statement	Factor Loading	
4	- Beneficiaries must continue to pay a hire-purchase loan even if the original hirer dies.	0.420	
	- The Legal Aid Bureau will provide legal assistance for consumers who cannot afford the legal fees.	0.541	
	- State Islamic Religious Councils have the jurisdiction to issue <i>halal</i> certification.	0.523	
	- Developers can be penalised if the construction of a house is behind schedule.	0.432	
	- Consumers must be able to recognize the flammable logo.	0.596	
	- Consumers must be able to recognize the recyclable logo.	0.637	
	- The clause “we are not responsible for any damages” cannot provide a defence for suppliers.	0.588	
	- Consumers will not lose their deposit if they fail to get a housing loan.	0.554	
	- Creditors are entitled to confiscate all the properties of the individual who has been declared bankrupt.	0.577	
	- Consumers who are the victims of get-rich-quick schemes can also be charged because they have breached the law.	0.662	
	- The buyer is entitled to get a rebate for hire-purchase transactions if the whole loan is paid in advance.	0.526	
	- The price stated on packaging must include tax.	0.438	
	5.	- Consumers can be declared bankrupt if they have a debt of more than RM30,000 that they are unable to pay.	0.477
		- The bank is not entitled to repossess vehicles under hire-purchase schemes if two thirds of the total hire-purchase loan has been paid unless if ordered to do so by a court.	0.449
- Insurance and banking claims can be referred to the Ombudsman for Financial Services.		0.555	
- Communications and Multimedia industry cases can be referred to the Communications and Multimedia Commission.		0.689	
- The Tribunal for Consumer Claims can only hear claims not exceeding RM25,000.		0.632	
- Complaints about medical practitioners cannot be referred to the Tribunal for Consumer Claims.		0.483	
- Consumers must be able to recognise the Malaysian Conformity (MC) logo.		0.660	
- Consumers must be able to recognise the Conformité Européenne (CE) logo.		0.656	
- Consumers must be able to recognise the Hazard Analysis Critical Control Point (HACCP) logo.	0.657		

The Cronbach’s alpha was later analysed and the results for all factors were above 0.6, indicating that the measurements were reliable and consistent. According to Pallant (2013), a good Cronbach’s alpha value is 0.6. Thus, all the factors are reliable. Table 5 showed the reliability of each assigned factors. The factors were

later renamed according to suitability of the items that fall under those factors. Therefore, the new factors were the right to get safe and quality goods and services, the right to get compensation, the right to get consumer education, the right to be informed of financial matters and the right to be heard and to get information. The right to be informed of financial matters was discovered through analysis of items related to bankruptcy, get-rich-quick schemes, house loans, hire-purchase transactions and price on packaging. In the FGD, these items were scattered across the domains and through the factor analysis, these items were grouped under one domain, which was later renamed the right to be informed of financial matters.

Table 5  
*Reliability of five factors*

Factor Analysis	Reliability
The right to get safe and quality goods and services	0.859
The right to get compensation	0.843
The right to get consumer education	0.884
The right to be informed of financial matters	0.744
The right to be heard and to get information	0.671

The definition of legal literacy that was identified from the FGDs was to be aware, to know and to understand the rights and responsibilities of consumers. This means that consumers must know how to act, how to protect themselves, be conscious of their rights and become more responsible for their

own conduct. Legal literacy also means that knowing where to file a complaint and claim for redress.

Additionally, both the factor analysis as well as the FGDs revealed that the domains of legal literacy should be established according to consumer rights. The FGDs determined eight domains and 46 indicators. The domains were the right to basic needs, the right to get information, the right to consumer education, the right to safe goods and services, the right to make a choice, the right to get compensation, the right to be heard and the right to live in a healthy and safe environment. However, the factor analysis could only construct the items into five factors that were named as the right to get safe and quality goods and services, the right to get compensation, the right to get consumer education, the right to financial matters and the right to speak and to get information.

The domain for the right to get safe and quality goods and services is concerned with the issue of safety and quality. The indicators were related to safety of medicine, pesticides and cosmetic products which the law has prescribed must be registered with the Ministry of Health. Similarly, all electrical goods must also get certification from the Standard and Industrial Research Institute of Malaysia (SIRIM) before they can be distributed legally in the market. Additionally, discussion on safe and quality products will also include the *halal* status of products; consumers must know that the certification authority is JAKIM. Under this domain, also in terms of quality services,

consumers can file a complaint with the Public Complaints Bureau, Department of the Prime Minister if they are not satisfied with the services provided by public servants.

Meanwhile, under the domain of the right to get compensation, consumers must know the jurisdiction of the Tribunal for Consumer Claims and the Tribunal for Homebuyer Claims. Besides claiming for compensation, consumers are also entitled to a refund or exchange for defective goods although there may have been notices that goods sold cannot be returned or exchanged. The right to claim compensation is also not limited to the terms and conditions in the warranty card. Similarly, in housing, a defect liability period is given to consumers during which the developers must repair any defects in the house within 24 months from the date of handing over the house keys. This domain also includes the right to claim compensation in direct sales and the consumer's right to cancel a contract within the cooling-off period. This right is also applicable in online transactions.

The right to consumer education means consumers must develop critical thinking, raise their awareness and become more pro-active (OECD, 2009). However, looking at the discussion in the FGDs, the participants were of the opinion that consumer education should be focussed on consumers' responsibilities. This is because through education it is expected that the consumers should be able to carry out their responsibilities and be more pro-active. These items were later reconstructed through

factor analysis, and it was discovered that the items under this domain were concerned with the responsibilities of consumers to the environment and housing and hire-purchase deals. Consumers need to be responsible for protecting the environment and should know that improper disposal of rubbish is an offence under the law. Consumers also must be able to identify the recyclable logo. Another indicator concerned homeowner issues such as knowing that consumers cannot make modifications to houses as long as a certificate of completion has not been released by the Board of Architects Malaysia even though the keys to the house may have been handed over by the developer. Developers can also be penalised if the construction of the house is behind schedule. Regarding responsibilities under a hire-purchase agreement, beneficiaries must know that they are responsible for continuing to pay a hire-purchase loan if the hirers die. Consumers should also know that they can get assistance from the Legal Aid Bureau if they are not able to hire a lawyer as they are entitled to get a fair trial.

Another domain is the right to be informed of financial matters. In this domain, among the indicators are the right of consumers who apply for a housing loan. Consumers will not lose their deposit if they fail to secure a loan and consumers who are the victims of get-rich-quick schemes can be charged because they have committed an offence. In addition, consumers should also know that creditors are entitled to confiscate all properties of individuals who have been declared bankrupt.

The domain of the right to be heard and to get information includes the right to knowledge of the channels for making claims for redress. This includes knowledge of the redress mechanism for communications and multimedia cases, insurance and banking cases as well as medical cases. Knowledge of logos is also constructed under this domain; consumers are expected to be able to recognise the MC, CE and HACCP logos.

## CONCLUSION

The findings and discussion conducted in preparing this paper revealed eight domains in the Focus Group Discussions (FGD) that were later compressed into five domains according to factor analysis. The domains were the right to get safe and quality goods and services, the right to get compensation, the right to get consumer education, the right to be informed of financial matters and the right to be heard and to get information. The domains and indicators can be used to develop a Malaysian Legal Literacy Index and to provide instruments for measuring legal literacy in Malaysia. Among the benefits of this study is its use in research related to consumer empowerment, consumer protection and consumer law. The instrument developed can later be utilised in future research related to identifying common problems experienced by consumers in dealing with suppliers; determining the level of knowledge among respondents of their legal rights and responsibilities related to transactions; setting the profile of consumers who are most in need of consumer

education; and identifying predictors of consumer legal literacy among consumers. For policymakers, the results of this study can lead to the formulation of educational policies intended to empower consumers and to measure the effectiveness of the National Consumer Policy. Lastly, this study can facilitate consumer associations and educators to better understand the profile of consumers so that better educational programmes and modules can be designed for consumers.

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