WOMEN LABOR FORCE PARTICIPATION IN MALAYSIAN LABOR MARKET

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WOMEN LABOR FORCE PARTICIPATION IN MALAYSIAN LABOR MARKET

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By

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ABSTRACT

From the early 1980s, the participation of women in the labor market is less than 50 percent compared to men. The women's labor force participation rate is an important factor that can influence both the present and future well being of the economy. Independent variables that has been selected are education, fertility rate, unemployment rate, population of women, foreign workers and as well as GDP. This study used time series data of 1982 to 2011. The objective of this study are i) to investigate the trends of Women Labor Force Participation Rate (WLFPR) in Malaysia and compared it with the selected variables. ii) to study the influence of the six macroeconomics variables on WLFPR and iii) to examine the relationship between Total Fertility Rate (TFR) and WLFPR. The results show that only education and population have significant influence on WLFPR. The Granger Causality test shows that there is no direction of causality between WLFPR and TFR. The implementation of the New Economic Policy (NEP) in Malaysia put education as an important tool in the fight against poverty and restructuring of society.
ABSTRAK

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<tbody>
<tr>
<td>CBO</td>
<td>Congressional Budget Office</td>
</tr>
<tr>
<td>DOF</td>
<td>Department Of Statistic</td>
</tr>
<tr>
<td>DV</td>
<td>Dependent Variable</td>
</tr>
<tr>
<td>EPU</td>
<td>Economics Planning Unit</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>HAWA</td>
<td>Women Affairs Unit</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labor Organization</td>
</tr>
<tr>
<td>IV</td>
<td>Independent Variable</td>
</tr>
<tr>
<td>LDCs</td>
<td>Less Development Countries</td>
</tr>
<tr>
<td>MOHA</td>
<td>Ministry Of Home Affairs</td>
</tr>
<tr>
<td>MOHE</td>
<td>Ministry Of Higher Education</td>
</tr>
<tr>
<td>MOHR</td>
<td>Ministry Of Human Resources</td>
</tr>
<tr>
<td>MLRM</td>
<td>Multiple Linear Regression Model</td>
</tr>
<tr>
<td>NEP</td>
<td>New Economic Policy</td>
</tr>
<tr>
<td>NPW</td>
<td>National Policy On Women</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Government Organization</td>
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<tr>
<td>OLS</td>
<td>Ordinary Least Square</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Packages for Social Sciences</td>
</tr>
<tr>
<td>TFR</td>
<td>Total Fertility Rate</td>
</tr>
<tr>
<td>VAR</td>
<td>Vector Autoregressive Regression</td>
</tr>
<tr>
<td>WLFPR</td>
<td>Women Labor Force Participation Rate</td>
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CHAPTER 1

INTRODUCTION

1.1 Introduction

Women participation in labor market plays an important role in Malaysian economic growth. Hence, it is important for Malaysian’s government to implement the correct policy to attract women to enter the labor market. Section 1.2 is discussing about the overview of women participation in labor market. Section 1.3 about the background of study. Women participation in labor market was influenced by several macroeconomic factors. Section 1.4 about the problem statement. Participation of women in the employment sector in this country is still low because the rate is below to 50 percent compared with others countries. Section 1.5 about the objective of study where is the general and specific objective. Scope of this study is focusing on WLFPR with the selected variables and it was discussed in Section 1.6. The significance of the study is can provide the guidance to governments and non-government organization to promote women increase participation in labor market where is discussed in Section 1.7. The last section is about organization of the study.
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