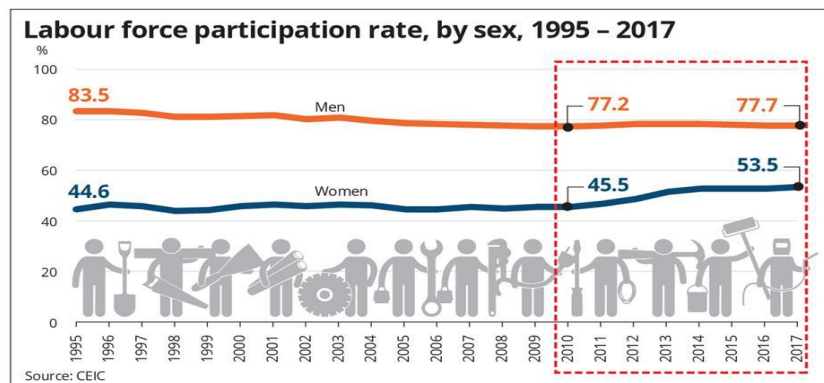


DETERMINANTS OF FEMALE LABOUR FORCE PARTICIPATION IN MALAYSIA

Introduction

For households, employment is not just the primary source of income but also the principal means to participate productively in the economy and society.



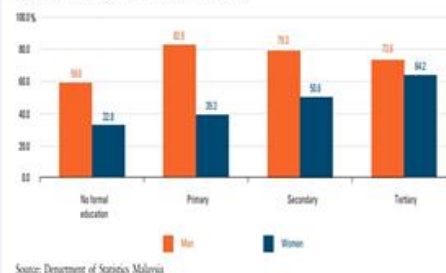
Women labour force participation shows increasing trend compared to men

Literature review

- Lim Fui Yee Beatrice (2017) results establish that higher education has a positive causal effect on female labour force participation while fertility has a larger negative effect on female labour force participation for planned births which is 15.5% as compared to unplanned births which is about 6% only.
- Nor and Said (2016) identified that aged of labor between 25-34 years that have tertiary education background is significantly and positively influence to the rates of labor force participation.

Education

Figure 2.4: LFPR, by sex and education level, 2017

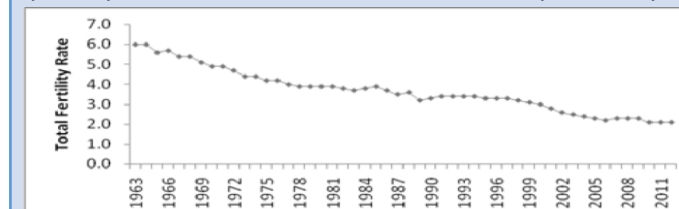


- Women with higher education tend to participate in labour market.
- More women pursuing studies in tertiary education

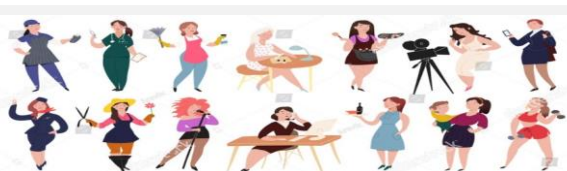
Result

Fertility rate

Fertility rate have been dropping since 1960. Decrease in fertility rate will increase female labour force participation rate due to the increase responsibility in



Economic development



Growth in the manufacturing and services sectors increasing the female participation in labour force. Majority women are involved in the "typical feminine" jobs

Conclusion

In the long term, increase in female participants in the labor force is associated with an increase in GDP and education level and decrease in fertility rates.

Data & Methodology

- * Secondary data
- * GDP data sources and fertility rate taken from IMF
- * Female education rate data sources taken from Education Statistics (World Bank)



Econometric empirical model

$$P_rate_t = a_1 + a_2gdp_t + a_3edu_t + a_4fert_t$$

Where,
P_rate = women labor force participants rate
gdp = Log (GDP)
edu = Log (EDUCATION)
fert = FERTILITY rate

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