



# **Economic Determinants of Unemployment in Malaysia**

**SITI RAHMAH BINTI HALIMULPATA**

**2012271358**

**FINAL REPORT**

**BACHELOR OF BUSINESS ADMINISTRATION**

**(HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**JOHOR.**

**DECEMBER 2014**

**Economic Determinants of Unemployment in Malaysia**

**SITI RAHMAH BINTI HALIMULPATA**

**2012271358**

**Submitted in Partial Fulfillment  
of the Requirement for the  
Bachelor of Business Administration  
(Hons) Finance**

**This Project Paper is Supervised by**

**Mr. Syamsyul Samsudin**

**Madam Siti Salwa binti Hassan**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA,**

**JOHOR**

**DECEMBER 2014**

**DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION**  
**(HONS) FINANCE**  
**FACULTY OF BUSINESS MANAGEMENT**  
**UNIVERSITI TEKNOLOGI MARA**  
**JOHOR**

**“DECLARATION OF ORIGINAL WORK”**

I, Siti Rahmah binti Halimulpata, (I/C Number: 910408-01-6114)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

date: \_\_\_\_\_

# LETTER OF SUBMISSION

07 December 2014

Mr. Syamsyul Samsudin

Department of Finance

Scholl of Business and Management

UITM Johor, Segamat, Johor

Box 527, 85000 Segamat

Johor, Malaysia.

Dear Sir,

## SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**Economic Determinants of Unemployment in Malaysia**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely

.....

SITI RAHMAH BINTI HALIMULPATA

2012271358

Bachelor of Business Administration (Hons) Finance

## ABSTRACT

Unemployment is a serious problem that may affect to the developed economies. Malaysia is one of the country will face the challenge of unemployment. This paper aims to investigate the effect of economic variables to the unemployment rate in Malaysia. The variables considered are population, inflation and exchange rate. The sample of this study comprises the observations of the independent and dependent variables on a yearly basis over 30 years from 1984 to 2013. The data will collect from World Data Bank or International Monetary Fund, World Data Atlas – Knoema and Index Mundi. The data mostly is collect from the website. This research paper is used a secondary data. It also will use the time series data. The data are collected then compiled by using E-Views7. The software may help to determine the descriptive analysis, stationary test, correlation analysis, regression analysis and test on assumption (autocorrelation, normality test, heteroscedascity, multicollinerity and ramsey reset test). The study is an attempt to investigate the relationship of the chosen economic variables towards influencing unemployment rate in Malaysia. Findings from previous research papers mostly may help this research have been done that give a lot of information. The results of this research paper may make a conclusion for the research project paper.