



**THE IMPACT OF GROSS DOMESTIC PRODUCT PER CAPITA (GDP),
UNEMPLOYMENT AND EXCHANGE RATES ON FOREIGN LABOUR IN
MALAYSIA**

NUR AIN SUHANA BINTI MOHD HAFIDZUL

2016631534

**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (BUSINESS ECONOMICS)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KOTA KINABALU, SABAH.**

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DECLARATION OF ORIGINAL WORK



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ADMINISTRATION WITH HONOURS
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ABSTRACT

Since the last decade, the number of foreign labours in Malaysia has grown significantly. This research explores the impact on Malaysia's foreign labour in 1986 to 2018 of the changes in economic factors. Exchange rate, unemployment rate and Gross Domestic Product per capita (GDP) are the economic factors included in this study. The Johansen Cointegration Test aims to test the long-term and short-term effect on foreign labour in Malaysia. The chosen independent variables have a significant impact on foreign labour inflows, excluding unemployment, in Malaysia. This study also showed that unemployment in Malaysia has a negative impact on foreign labour. However, Gross Domestic Product per capita (GDP) and exchange rates have a positive effect on the inflow of foreign labour.