



A STUDY ON

"THE DETERMINANTS OF UNEMPLOYMENT RATE IN MALAYSIA"

RAFIQAH BINTI RAMLI

2012713731

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

MARA UNIVERSITY OF TECHNOLOGY

JOHOR

FINAL REPORT

DECEMBER 2014

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ACKNOWLEDGEMENT

I take this opportunity to express my profound gratitude and deep regards to my advisor Mr. Bassaruddin Basri bin Shah and Mr. Syamsul Samsudin, for their exemplary guidance, monitoring and constant encouragement throughout the course of this thesis. The blessing, help and guidance given by him time to time shall carry me a long way in the journey of life on which I am about to embark.

I also take this opportunity to express a deep sense of gratitude to my course mates for all the cordial support, valuable information and guidance, which helped me in completing this task through various stages.

I am obliged to staff members along with my internship at Assets Frontier Sdn Bhd, Hotel Sri Malaysia, Johor Bahru for the valuable information provided by them in their respective fields. I am grateful for their cooperation during the period of my attachment and assignment. I would like to express my deepest appreciation to my parents and all my family members for their constant encouragement without which this assignment would not be possible.

Lastly, I would like to thank to all who had contributed to this paper directly or indirectly, physically and emotionally.

ABSTRACT

Unemployment is an important issue to all countries in developing economies. High unemployment means the labors resources are not being used efficiently. In macroeconomic framework, there are several factors that can affect the unemployment rate, such as population, inflation, the real growth output and etc. Therefore, this paper attempts to examine the linkages between the gross domestic product, inflation rate, and population with unemployment rate in Malaysia. For this study will use the time series annual data analysis covered from 1982 – 2012. The empirical evidences shows that there is a positive coefficient between the independence variables like real growth output, inflation, and population on unemployment rate in Malaysia.

Key words: Unemployment rate, inflation rate, population and gross domestic product.