



# **THE DETERMINANTS OF UNEMPLOYMENT RATE IN MALAYSIA**

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

**FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
SEGAMAT, JOHOR.**

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# **DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**JOHOR**

## **“DECLARATION OF ORIGINAL WORK”**

### **1. NURUL FATIN AMALINA BINTI MOHD YUSOF ( I/C NUMBER : 920411-01-5728 )**

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 our 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 :

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## LETTER OF SUBMISSION

21<sup>st</sup> June 2015

Madam Nur Liyana Binti Mohamed Yousop  
Mr. Syamsul Bin Samsudin  
Faculty of Business Management,  
Universiti Teknologi MARA,  
85000 Segamat,  
Johor Darul Takzim.

Dear Sir/Madam,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “ **THE DETERMINANTS OF UNEMPLOYMENT RATE IN MALAYSIA** ” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

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Nurul Fatin Amalina Binti Mohd Yusof  
2012563689  
Bachelor of Business Administration (Hons) Finance

## **ACKNOWLEDGEMENT**

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Thank you.

## **ABSTRACT**

Unemployment is one of the important macroeconomic issues that all government and economic face. A change in economy can occur anytime and may affect the development of country as well as unemployment rate. It has both social and economic implications for all economies and the government take an action and try to adopt policies that will help in increasing employment rate. Therefore, the main purpose of this research was to examine the determinants that affect the unemployment rate in Malaysia. The data was collected from DataStream and EIU country data from 2003 until 2014 (quarterly basis). The multiple linear regressions was used to analyze the significant relationship between independent variable ( oil prices, inflation rate, gross domestic product and exchange rate volatility) towards dependent variable (unemployment rate). The findings of this study was suggested that Malaysia's economic growth is determined by changes in oil price, inflation rate, gross domestic product and exchange rate volatility towards unemployment rate.

**Keywords** – Unemployment rate, oil prices, inflation rate, gross domestic product and exchange rate volatility.

**Paper Type** – Research Paper