SOCIO-ECONOMICS DETERMINANT OF LABOUR FORCE PARTICIPATION AMONG MARRIED WOMEN IN PENINSULAR MALAYSIA

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Abstract

This study is to identify the influences of socio-economic factors towards the labour force participation among married women in Peninsular Malaysia. Bivariate correlations and logistic regression analysis was applied to the data set containing 2,366 married women aged 15-49 years, interviewed during the Fourth Malaysian Population and Family Survey, 2004. It was found that only half of the women were currently working. Chinese had the highest percentage who were currently working as compared to the Malays and Indians. The logistic statistical analysis had also identified several variables which were important determinants of the current work status of married women. Based on logistic statistical analysis, it was found that stratum, previous occupation prior to marriage and presence of young children had significant relationships to women's participation in the labour force.

Keywords: Labour force participation, married women, young children, Peninsular Malaysia, Fourth Malaysia Population and Family Survey

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1.   Introduction

Economic development and growth in Malaysia during the last four decades have created new employment opportunities benefiting both men and women. Structural changes in the economy had shifted the demand for labour to the manufacturing and service sectors. While employment expanded, the demand for female labour, both skilled and unskilled, increased in tandem with economic growth. Increased access to education leading to the improved educational attainment of women, has enabled them to be gainfully employed in all economic sectors.

The number of persons of working age in Malaysia in 2010 was about 17 million making up 64 percent of the total population. This number is more or less five times what it was in 1950 and is expected to grow to nearly 26 million by 2030 when it would form roughly 63 percent of the total population. Although in percentage terms the working age population would still be nearly two-thirds of the total population, in terms of numbers, there would be 10 million more men and women of working age in Malaysia by 2030 compared with 2010. Labour force participation has remained more or less constant at about 65 percent. In 1990 two thirds of Malaysians aged 15-64 were in the labour force, 85.3 percent among men and 47.8 percent among women. About 20 years later, in 2010, the participation rate for both sexes was 62.7 percent with the rate for men being 78.7 percent and that for women, 46.1 percent. Meanwhile, the participation rate for married women in 2010 was 45.0 percent (Department of Statistics Malaysia, 2010).

The most significant development in the labour force over the past decades is the increase in participation of women brought about by increasing age at marriage, higher educational attainment, and smaller family size. Compared with 1987, young female labour force participants are more educated, more likely to be unmarried and more likely to work in the manufacturing and service sectors. This trend has raised participation rates among young at the same time a trend towards urbanization lowered it among older women. As noted above, the structural shift in the economy from agriculture-based to modern service-based has benefited female labour force participants more than males. Yet, in 2010, compared with women in neighbouring countries like Thailand, Singapore, Indonesia and even Vietnam, the level of female labour force participation of 46.0 percent in Malaysia is low although their educational attainment is comparable.

Although the trend of the female LFPR has been rising, the participation level of Malaysian women is still relatively low compared to other ASEAN countries. Statistics from the World Bank (2010) indicate that among the ASEAN nations, Cambodia has the highest participation rate of 79.0 per cent; followed by Lao DPR (77.0 per cent), Vietnam (73.0 per cent), Thailand (64.0 per cent), Singapore (57.0 per cent), Brunei (56.0 per cent), and Indonesia (51.0 per cent).

This indicates that a potential for increased participation of females exists to be drawn upon in the future. The 10th Malaysia Plan noted that it would strive to increase the participation of women in the labour force in order to meet increased demand for labour and to counter the reliance on foreign labour.

2. Data and methods

The data used for this study were obtained from the Fourth Malaysian Population and Family Survey (MPFS-4) which was conducted by the National Population and Family Development Board in 2004. A multi-stage stratified random sampling was adopted to collect data. The study is based on a sample of 2,366 currently married women aged 15 to 49 years in Peninsular Malaysia .Only the three major ethnic groups in Peninsular Malaysia, namely Malay, Chinese, and Indian were included in this analysis. Detailed information on socio-economic variables, such as respondent's current age, ethnicity, education, marital status, current work status, number of children, previous working status (before marriage) and presence of young children were recorded in the structured questionnaire.

The method used includes a descriptive analysis of the demographic characteristics of respondents, bivariate correlations and logistic regression analyses. The dependent variable is the current work status. All women were asked, "Are you currently working"?. On the basis of the response to that question, current work status was coded '1' if a woman is currently working and '0' otherwise.

The independent variables are the socio-economic characteristics of currently working women. Socio-economic variables of interest were respondent's current age, ethnicity, stratum, educational level, number of children, husband's income, previous work status (before marriage), and presence of young children.

3. Findings

Table 1 shows the frequency distribution of currently married women under study by their socio-demographic characteristics. The mean age of the respondents was 36.8 years. About two third (62.4%) of women were aged 35 years and above. Malay women made up 73.7 per cent, Chinese women 17.0 per cent, and Indian women 9.3 per cent. About 27.1 per cent of respondents lived in the Northern region (Perak, Penang, Kedah and Perlis) followed by the Central region (Selangor, Federal Territory of Kuala Lumpur & Putrajaya), 25.5 per cent, Eastern region (Pahang, Terengganu and Kelantan) 25.4 per cent, and lastly the Southern region(Negeri Sembilan, Melaka, and Johor) 22.0 per cent. More than half (57.9%) of the respondents lived in urban areas. Educational attainment among the respondents was found to be very high with more than 70 percent of the women having completed at least secondary level of education.

Slightly more than half (51.1 per cent) of the women were currently working. In terms of ethnic groups, Chinese had a higher proportion who were currently working compared to the Malay and Indian women. There were not much difference in terms of age group except for the age group 20 years and below where the proportion of women who were currently working was comparatively lower than the other age groups. Meanwhile, the proportion of those who were currently working was higher in the Central region compared to the other regions. There was also a higher proportion of those who were currently working among women in the urban areas (57.9%) compared to rural areas (42.1%) (see Table 2).

A higher level of education is related to a higher participation in labour force. The percentage of women who were currently working was higher among those with tertiary education than those who had secondary or just primary education. In terms of their previous type of occupation before marriage, Professional workers had the highest proportion of women who were currently working, with 71.2 per cent of them. Meanwhile, Craft and Plant workers had the lowest proportion (43.5 per cent). Women who had no children were more likely to enter labour force compared to those who had children. Labour force participation was also higher among women who had no children aged 6 years or below compared to those who had young children in their household. In terms of husband's income, the proportion of women who were currently working was higher among those with husband's income of between RM 4,000 or higher compared to those whose husband's income below RM 4,000.

This section presents data analysis by Chi-square test to determine whether the independent variables involved are significantly correlated to the dependent variable which is, whether or not women participated in the labour force. Table 3 shows that there are significant associations between all the independent variables and the dependent variable except for ethnicity and age.

The analysis of logistic regression is shown in Table 4. Two models were used for the analysis. Model 1 looks at the association between socio-demographic characteristics of married women and their current work status. In Model 2, both the socio-demographic and socio-economic characteristics were included as independent variables.

In Model 1, only region, stratum and educational level were included in the model which appeared to be significantly associated with the current work status. Women who lived in the Eastern region were 0.783 times less likely to work compared to the Northern region. By stratum, rural women were 0.832 times less likely to work compared to urban women. The findings also show that women with tertiary education are more likely to work compared to those with secondary or primary education. When all the two socio-demographic variables are considered in Model 2, only educational level among socio-demographic variables was significant. The results from Model 2 show that the current participation in labour force is higher among women with tertiary education compared to those with lower educational level. Women with tertiary education were 3.629 times more likely to work compared to women with no schooling.

As for the socio-economic variables, only previous occupation and presence of young children were significant. In terms of previous occupation, women with Professional occupations were more likely to work compared to other occupations. Women with Professional occupations as their previous occupation were 2.766 times more likely to work now compared to women who were previously not working before marriage. As expected, women who have children aged 6 years or below were less likely to work compared to women who had no young children

4. Conclusion

Malaysia's women labour force participation rate has been increasing steadily in the past decades but it is still way below the desired figure. Recognising the power of womenomics, the Malaysian Government is aggressively taking steps to leverage on women. Ambitiously, the 10th Malaysian Plan aims to increase women's labour force participation to 55 percent by the year

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2015 from the current 46.1 percent. Much has to be done to draw on the large reserves of women who are of the working age group but who, due to some reason or other are not joining the labour market. From this study, it can be concluded that presence of young children in household has great influence on women participation in the labour force. Having no one reliable to take care of the children while they work is one problem that had to be resolved to enable them to work with a peace of mind and in doing so productivity will increase contributing toward the development of the economy. Employers can play an important and supportive role by providing flexi working hours for their married workers be it male or female to enable them to take turns for child care. Women in the rural areas too need to be encouraged to take up jobs other then agricultural based related jobs. Training and skill development can be an option to be explored for these women.

Acknowledgments

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Table 1: Socio-Demographic characteristics of currently married women in Peninsular Malaysia

Variable	Categories	Percentage
Ethnicity	Malay	73.7
	Chinese	17.0
	Indian	9.3
Age	Below 25	9.0
	25-29	11.7
	30-34	16.9
	35-39	20.7
	40-44	23.1
	45-49	18.6
Educational Level	No Schooling	3.4
	Primary	22.1
	Secondary	58.7
	Tertiary	15.8
Region	North (Perlis, Kedah, Penang & Perak)	27.1
	East(Pahang, Terangganu & Kelantan)	25.4
	Central (Kuala Lumpur & Selangor)	25.5
	South (Negeri Sembilan, Melaka & Johor)	22.0
Stratum	Urban	57.9
	Rural	42.1

Mean Age = 36.8 (Standard Deviation: 7.704)

Table 2: Percentage of Women who are currently working by Socio-Demographic and Socio-Economic Characteristics

Variable	Categories	Percentage
Dependent Variable:		
Current work status	Currently Not Working	51.1
	Currently Working	48.9
Independent Variables:		
Ethnicity	Malay	49.7
	Chinese	58.1
	Indian	49.3
Age	Below 25	40.6
	25-29	56.7
	30-34	51.1
	35-39	49.6
	40-44	50.9
	45-49	54.5
Region	North (Perlis, Kedah, Penang & Perak)	49.8
	East(Pahang, Terangganu & Kelantan)	44.9
	Central (Kuala Lumpur & Selangor)	58.9
	South (Negeri Sembilan, Melaka & Johor)	50.8
Stratum	Urban	55.2
	Rural	45.4
Educational	No Schooling	50.0

Variable	Categories	Percentage
Level	Primary	42.7
	Secondary	46.0
	Tertiary	81.8
Previous Occupation	Not working	37.3
	Professional	74.0
	Clerical & Service Workers	57.1
	Craft & Plant Workers	43.5
	Agricultural, Fishery & Elementary Workers	49.8
Number of children	No Child	71.2
	1	56.6
	2	52.5
	3	53.0
	4	47.9
	5 or more	42.7
Presence of Young Children (aged 6 years and below)	No	57.2
	Yes	46.9
Husband Income	No Income (Husband not working)	51.6
	< RM 1,000	45.3
	RM 1,000-RM 1,999	53.8
	RM 2,000-RM 2,999	55.0
	RM 3,000-RM3,999	59.6
	RM4,000-RM4,999	67.2
	RM 5,000 and above	63.5

Table 3: Chi-Square Test Result of Socio-Demographic and Socio-Economic Characteristics for Women who are currently working

	Pearson Chi-Square	Sig
Ethnicity	9.444	0.009
Age	15.408	0.009
Region	24.176	0.000*
Stratum	22.106	0.000*
Educational Level	170.164	0.000*
Previous Occupation	138.334	0.000*
Number of Children	47.559	0.000*
Presence of Young Children (aged 6 years and below)	24.465	0.000*
Husband's Income	33.058	0.000*

*Significance: *p<0.05*

Table 4: Logistic Regression Analysis of Socio-Demographic and Socio-Economic are characteristics for Women who currently working in Peninsular Malaysia

	Exp(B)	
Covariates	**Model 1**	**Model 2**
Region		
North (RC)	-	-
East	0.783*	0.866
Central	1.175	1.160
South	1.001	0.976
Stratum		
Urban(RC)	-	-
Rural	0.832*	0.915
Educational Level		
No Schooling (RC)	-	-
Primary	0.702	0.768
Secondary	0.772	0.833
Tertiary	3.967*	3.629*
Previous Occupation		
Not Working (RC)	-	-
Professionals	-	2.766*
Clerical & Service Workers	-	1.928*
Craft & Plant Workers	-	1.334*
Agricultural, Fishery & Elementary Workers	-	1.748*
Number of children		

Covariates	Exp(B)	
	Model 1	Model 2
0 (RC)	-	-
1	-	0.984
2	-	0.749
3	-	0.812
4	-	0.751
5 or more	-	0.672
Presence of Young Children (aged 6 years and below)		
No(RC)	-	
Yes	-	0.571*
Husband's Income		
No Income (Husband not working) (RC)	-	-
< RM 1,000	-	0.944
RM 1,000-RM 1,999	-	1.015
RM 2,000-RM 2,999	-	0.878
RM 3,000-RM3,999	-	0.884
RM4,000-RM4,999	-	1.198
RM 5,000 and above	-	0.650
Constant	1.210	1.305

*Significance: *p<0.05.*

RC: Reference category