FEMALE PARTICIPATION IN THE LABOUR FORCE: AN ANALYSIS ACROSS COMMUNITIES IN PENINSULAR MALAYSIA

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ABSTRACT

This study examines trends and patterns of female labour force participation in Peninsular Malaysia from 1970 to 1995. In addition, empirical analysis was carried out for six selected communities. Determinants of female labour force participation was estimated using Probit equations. From Probit equations Lambda was computed and used as a regressor in earning functions in order to correct for selectivity bias. Analysis of national level statistics indicate that economic development and structural changes have had significant effect on female employment in Peninsular Malaysia. Empirical results from this study indicate that presence of young children has an adverse effect of labour force participation of married women. In addition, the standard human capital determinants in the wage equations have weak explanatory power.

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