

CHAPTER 1

INTRODUCTION

1.1 Introduction

There has been a structural transformation in the Malaysian economy and undoubtedly this has led to some changes in the distribution of employment by gender in Malaysia. Women account for about 40 percent of all employed persons. (8th Malaysian Plan, 2001). The Malaysian Government has long acknowledged the contribution by women to the overall national development and as such it has consistently promoted the participation of women in development through various policies and measures. Those who were once confined to the domestic domain have now been extended to public domain. The rapid economic development in the post-colonisation era and the promotion of education at all levels, which are the two determining factors that has brought about development of the nation, is now actively encouraged and acknowledged.

Women and men in Malaysia seem to be involved in different types of industries doing different kinds of work. They are also found to be at different levels of hierarchy in the organization. Why are women concentrated in certain industries and occupational level despite various measures and policies undertaken by the government and non-governmental organizations? Did the measures that were undertaken by the government really improve women's socio-economic status? Do females receive the same amount of wages as male do for the same occupation? These questions are the central concern of this study.

Women have become a major component of the socio-economic development and growth in addition to their traditional role in the unpaid domestic sector of the economy. The trend analysis in occupation showed some changes in the detailed occupational structure, involving a shift of the women and men's labour force into different industries and occupational level. The secondary data obtained clearly shows that the factors, which influenced the changes in employment structure, are the changing structure of the economy, level of formal education received and changing social norm and prejudices regarding the role and status of women in the society and in the labour market.

1.2 Background

A perusal of the historic development of Malaysia reveals that the role of women that was once concentrated in the unpaid domestic domain has now extended to the paid productive domain. The measures to integrate women in development were taken as early as in the 1950s with the establishment of several nationwide women's organizations that had particular economic and socio-economic objectives.

The establishment of the National Council On Integration Of Women In Development (**NACIWID**) that was formed in 1976 is to provide policy guidelines and the Secretariat For Women's Affairs (**HAWA**) in 1983 to serve as a national focal point. The Malaysian Government formally adopted the National Policy For Women (**NPW**) at the end of 1989 to ensure gender equality and integration of women in all sectors of development. Finally, major non-governmental organizations mostly led by upper and middle class women are affiliated to the National Council of Women's Organisations (**NCWO**), an

umbrella body of forty non-governmental organizations and professional groups, which has been successful in raising women's status (for example, equal pay for equal work, support service to enable women to combine care giving and work place responsibility, etc.).

Thus, the above measures had resulted in a significant improvement in the social indicator. The health status, female life expectancy, maternal mortality rate, infant mortality, total fertility rate, educational and literacy level showed a dramatic improvement. However, the studies carried out by some prominent scholars revealed that despite the gains, there are still situations perpetuating their disadvantageous positions in areas such as :-

- i. Wage differential
- ii. Discriminatory law
- iii. Patriarchal values

Other than the above, previous studies and analysis also revealed that the Female Labour Force Participation Rate has increased over the years, but is still significantly lower than that of men. Women are also found to have been concentrated in certain occupational level and in unskilled and semi-skilled jobs. This simply implies that gender gaps are still prevalent in certain areas in Malaysia and there is still room for further studies in this area. The question that raised my interest to undertake a study in this area is that "whether the development policies have really improved women's socio-economic status".

Finally it should be noted that the rise in the Female Labour Force Participation Rate could, to a great extent, be attributed to the continuous development policies by the government.

1.3 Significance of The Study

Women in Malaysia have unrecorded history, played a significant role in almost all spheres of the economy and society. Thus, it is important that we study the continuous role that women play in the national economic development. This study could serve as an important source of information to the government and non-governmental organizations to promulgate policies and actions for improving women's situation that is now lagging behind. Very importantly, this study could help women in the labour force to be equipped with skills knowledge to cope with the future challenges.

1.4 Objective of The Study

The objectives of this study are as follows:-

- i. To analyse the recent trend of the female labour force participation;
- ii. To analyse the present sectoral and occupational concentration of the female labour force;
- iii. To focus on the gender differential in wages;
- iv. To examine the female employment status to that of the male, as employer, employee, own account worker and as an unpaid family worker; and
- v. To provide recommendation in order to improve women's status through the participation in economic development.

1.5 Scope and Limitation of The Study

The primary focus of this study is about trends in Female Labour Force Participation Rate and the wage differential between female and male at the same occupational level. Since it is a difficult task to look at the trend in the female labour force participation for Malaysia due to the coverage of sample and the limited published data on earnings and wage rates, the discussion will be limited to the Peninsular Malaysia only.

The limitation of the study is that it only examines gender stratification in employment in Peninsular Malaysia. More specifically, this study examines:-

- i. the trend of the female labour force participation;
- ii. gender stratification in employment;
- iii. gender stratification in wages.

1.6 Organisation of the Thesis

This thesis is about the women of Malaysia and their contribution to the economy. The economic development has undeniably brought about new opportunities for women and the female labour force has undeniably become a major component of socio-economic development and growth in Malaysia.

The five chapters that constitute this study are summarily laid out in the following paragraph.

The structural transformation in the Malaysian economy and its implication on female workforce will be discussed in chapter one. This chapter will also address the significance of the study, the objective of the study and the scope as well as the limitation of the study. The second chapter constitutes literature review, mainly focusing on areas such as the attitude towards women's role in society, the glass ceiling and the lack of occupation and professional opportunity for women in Malaysia and elsewhere in the world. The third chapter looks into the overview of labour force in Peninsular Malaysia with respect to age group, sector and occupation, gender and education, gender and age. The second part of this chapter addresses the health condition of women, the wage differential, the employment and unemployment rate as well as the national policy for women. Chapter four constitutes data analysis. The first part will highlight the sources of data collection, time period chosen for the study, methods of analysis and the hypotheses. The second part comprises data analysis and interpretation.

Finally in the fifth chapter, conclusion and recommendation for the study will be derived.