CHAPTER 5

CONCLUSION AND FUTURE WORKS

5.1 Conclusion and Future Works

World population are moving towards aging population as the fertility rates slowly decline. Malaysia is not exceptional and expected to reach the status of an old country in 2044 claimed by Minister of Economics of Malaysia, Rafizi Ramli in a conference. Therefore, this study aims to analyse the current population of Malaysians citizen from year 1970 to 2023. In Chapter 4, during the exploratory data analysis (EDA) phases, a funnel bar chart has illustrated the age distribution of Malaysian population. The results show that the widest sections at the top suggest that younger age groups have a higher population. This may indicate a relatively high birth rate or a young population demographic. Conversely, fom the mid-2000s onward, there is a noticeable decline in birth rates.

For second objectives, the researcher intendeds to identify the direction of the causal relationship declining fertility rate (TFR) to economic performance of a country. Suitable independent and dependant variables need to be identified to deploy into the intended model which is Granger Causality test modelling. Before that, several tests need to be done to test whether the variables is stationary state.

Third objectives of this research are to achieve the aim of this research which is to predict the future birth rates. This aim is significance as to prepare the government as well as stakeholders to plan several measures to mitigates the issue of declination of economic growth in the future and factors that contribute to it such as shortages number of labor participants, healthcare spending and pension systems, national savings and so on as per stated in the literature review. Autoregressive distributed lag (ARDL) model will be used to predict the future trends of fertility rates in Malaysia based on past historical data as this model is somewhat capable to be done .