## ABSTRACT

The objective of the thesis is to consider the merits of alternative approaches to promoting skills training in the context of the Malaysian economy with particular reference to the State of Melaka. Federalism in Malaysia is highly centralized in contrast with Canada. While education and skills training is under the constitutional jurisdiction of the federal government in Malaysia, it is a matter of provincial jurisdiction in Canada. The study provides an overview of the Malaysian economy with special emphasis on population and the labour force. An essential feature is the federal-state split in economic development policy. This is followed by a description of the education and skills training system in Malaysia and how it relates to economic development. The particular circumstances of Melaka and the Malaysian approach to education and skills training is contrasted with that in Canada. This is applied in listing the advantages and disadvantages of the relatively more centralized Malaysian system.