

MINISTRY OF ECONOMY DEPARTMENT OF STATISTICS MALAYSIA

INFORMAL SECTOR WORK FORCE SURVEY REPORT, MALAYSIA, 2017

INTRODUCTION

Informal Sector Survey is conducted by the Department of Statistics Malaysia (DOSM) using household approach to obtain data on the structure of employment in the informal sector. This survey covers citizens and non-citizens in urban and rural areas for the whole of Malaysia.

The Informal Sector Workforce Survey Report is an annual publication which presents the principal statistics on employment in the informal sector for the working age of 15 to 64 years old by selected demographic and socioeconomic characteristics such as sex, age group, educational attainment, category of occupation and industry.

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In 2017, there were 1.36 million employed persons in the informal sector comprising 9.4 per cent share of the total employment in Malaysia, lower than 2015 (10.0%). Meanwhile, the share of informal sector employment of the employment in non-agricultural sector was 10.6 per cent (2015: 11.4%). The annual growth rate of informal sector employment decreased 1.4 per cent in 2017 as compared to an increase of 2.9 per cent in 2015.

Exhibit 1:



Share of informal sector employment in the labour market, Malaysia, 2015 and 2017

CAGR - Compounded Annual Growth Rate

EMPLOYMENT IN THE INFORMAL SECTOR BY SEX

Employment in the informal sector for male in 2017 comprised of 839.2 thousand persons with an annual growth rate of 8.1 per cent. The percentage contribution for male employment increased 10.6 percentage points for that particular year to 61.5 per cent from 50.9 per cent in 2015.

Employment in the informal sector for female was estimated at 524.4 thousand persons with a contribution of 38.5 per cent. The annual growth rate of female employment decreased 13.7 per cent as compared to an increase of 2.0 per cent in 2015.

Exhibit 2:



CAGR - Compounded Annual Growth Rate

EMPLOYMENT IN THE INFORMAL SECTOR BY STRATA

The majority employment in the informal sector was in the urban area encompassing 82.1 per cent (1.12 million persons) with an annual growth rate of 5.1 per cent. However, the number of informal sector employment in the rural area was 244.0 thousand persons, decreased by 23.6 per cent annually as compared to 391.2 thousand persons in 2015.



Employment in the informal sector by strata, Malaysia, 2015 and 2017



CAGR - Compounded Annual Growth Rate

EMPLOYMENT IN THE INFORMAL SECTOR BY INDUSTRY

Almost two thirds of employment in the informal sector were concentrated in the Services industry (62.1%) followed by Construction (20.0%). Informal sector employment in the Manufacturing industry comprised of 17.2 per cent, increased 1.3 percentage points from 15.9 per cent in 2015.

Wholesale and retail trade; repair of motor vehicles and motorcycles activities dominated Services industry with 20.5 per cent followed by Accommodation and food and beverage service activities (16.0%) and Human health and social work activities (8.3%).



Exhibit 4:

Employment in the informal sector by industry, Malaysia, 2015 and 2017

EMPLOYMENT IN THE INFORMAL SECTOR BY STATUS IN EMPLOYMENT

Own account worker dominated employment in the formal sector with a contribution of 69.4 per cent followed by Employee of 20.4 per cent. Meanwhile, Unpaid family worker and Employer comprised of 8.0 per cent and 2.2 per cent respectively.

Exhibit 5:

Employment in the informal sector by status in employment, Malaysia, 2015 and 2017



The detailed information regarding this report can be accessed through the eStatistics application in the Department of Statistics, Malaysia website, www.dosm.gov.my.

Released By:

DATO' SRI DR. MOHD UZIR MAHIDIN CHIEF STATISTICIAN MALAYSIA DEPARTMENT OF STATISTICS, MALAYSIA DrUzir_Mahidin Signification Dr_Uzir

#myHariBulan# #myBulan# #myTahun#

Contact person:

Ho Mei Kei Public Relation Officer Strategic Communication and International Division Department of Statistics, Malaysia **Tel** : +603-8885 7942 **Fax** : +603-8888 9248 **Email** : mkho[at]dosm.gov.my

Contact person:

Baharudin Mohamad Public Relation Officer Strategic Communication and International Division Department of Statistics Malaysia Tel : +603-8090 4681 Fax : +603-8888 9248 Email : baharudin[at]dosm.gov.my

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