

MEDIA STATEMENT



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LABOUR FORCE STATISTICS, MALAYSIA, JUNE 2025 AND SECOND QUARTER 2025

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PUTRAJAYA, AUGUST 11, 2025 – June's unemployment rate stood at 3.0 per cent, with the number of unemployed declining to 518.7 thousand persons, according to the Department of Statistics Malaysia (DOSM). The figures were detailed in ***Statistics of the Labour Force, Malaysia, June 2025, and the Second Quarter of 2025*** release. The report provides insights into Malaysia's labour supply, drawing from findings collected through the Labour Force Survey conducted by DOSM.

Commenting on the overall performance for June 2025, Dato' Sri Dr. Mohd Uzir Mahidin, the Chief Statistician Malaysia said, "Malaysia's labour market continued to show favourable growth momentum in June 2025, following the positive development of the national economy. This was reflected in a steady rise in employment and a further decline in unemployment. Thus, the labour force continued its upward trend in June 2025, increasing by 0.3 per cent month-on-month to 17.43 million persons (May 2025: 17.38 million persons). The labour force participation rate (LFPR) in June 2025 stood at 70.8 per cent, consistent with the rate recorded in May."

Additionally, employment continued to increase in June 2025, with the number of employed rising by 0.3 per cent to 16.92 million persons (May 2025: 16.86 million persons). Meanwhile, the unemployed declined further by 0.7 per cent to 518.7 thousand persons during the month (May 2025: 522.4 thousand persons). The unemployment rate remained unchanged at 3.0 per cent for the third consecutive month, indicating sustained labour market stability.

The Chief Statistician Malaysia further explained that the employees' category remained the largest segment of the employment, comprising 75.0 per cent of the total employed persons. This category experienced a 0.2 per cent increase, reaching 12.69 million persons in June 2025 (May 2025: 12.66 million persons). Likewise, the

number of own-account workers continued to improve with an addition of 0.6 per cent to 3.20 million persons, up from 3.18 million in the previous month.

Commenting further on employment across economic sectors, the Services sector continued to register a steady increase in the number of employed persons, particularly in Wholesale and retail trade; Accommodation and food & beverage services; as well as Information & communication activities. Similarly, the number of employed persons in the Manufacturing, Construction, Mining & quarrying, and Agriculture sectors also experienced a rise during the month.

Dato' Sri Dr. Mohd Uzir Mahidin also highlighted that, out of the total unemployed persons in June 2025, 79.9 per cent were actively unemployed, or those who were available for work and were actively seeking jobs. The number of actively unemployed decreased by 0.5 per cent, reaching 414.4 thousand persons (May 2025: 416.4 thousand persons). Among them, 64.5 per cent had been unemployed for less than three months, while 5.0 per cent were in long-term unemployment for more than a year. The number of inactively unemployed, or those who believed there were no jobs available, also declined by 1.6 per cent to 104.3 thousand persons as compared to the previous month (May 2025: 106.0 thousand persons).

In June 2025, the unemployment rate for youth aged 15 to 24 years remained unchanged at 10.2 per cent, recording 297.5 thousand unemployed youths (May 2025: 297.7 thousand persons). Among youth aged 15 to 30, the youth unemployment rate stood at 6.2 per cent, with 396.8 thousand unemployed youths as against 399.0 thousand persons in the previous month.

As for the number of persons outside the labour force in June 2025, it was slightly down by 0.004 per cent, totalling 7.18 million persons (May 2025: 7.18 million persons). The main reasons for those being outside the labour force were housework/ family responsibilities, accounting for 43.7 per cent, followed by schooling/ training category at 40.9 per cent.

Commenting on the overall performance for the second quarter of 2025, the Chief Statistician Malaysia said, "The labour force experienced a growth of 0.8 per cent to 17.37 million persons during the second quarter of 2025 (Q1 2025: 17.23 million persons). The LFPR increased marginally by 0.1 percentage points to reach 70.8 per cent, compared to 70.7 per cent in the previous quarter. Reflecting this trend, the number of employed persons increased by 0.9 per cent to 16.85 million persons (Q1 2025: 16.70 million persons). Meanwhile, the number of unemployed persons showed a decline of 1.0 per cent to 520.9 thousand persons (Q1 2025: 526.3 thousand persons). The unemployment rate for the second quarter of 2025 dropped by 0.1 percentage points to 3.0 per cent compared to the previous quarter (Q1 2025: 3.1%).

Dato' Sri Dr. Mohd Uzir Mahidin also added that the number of persons working less than 30 hours per week posted a decrease of 0.7 per cent to 241.0 thousand persons during the quarter (Q1 2025: 242.7 thousand persons). Correspondingly, the number of persons working less than 30 hours per week but willing and able to work additional hours, or classified as time-related underemployment, declined by 4.0 per cent to 141.0 thousand persons, resulting in a time-related underemployment rate of 0.8 per cent (Q1 2025: 146.9 thousand persons; 0.9%). Meanwhile, skill-related underemployment, which refers to those with tertiary education but working in semi-skilled and low-skilled jobs, increased by 0.1 per cent to 1.96 million persons, with 35.6 per cent of the skill-related underemployment rate (Q1 2025: 1.95 million persons; 35.7%).

At the state level, the lowest unemployment rate was recorded in W. P. Putrajaya at 1.4 per cent in the second quarter of 2025. This was followed by Pahang with 1.8 per cent, and Selangor at 1.9 per cent. Meanwhile, eleven states registered an increase in the LFPR, with the highest LFPR was observed in Selangor at 78.0 per cent, followed by W.P. Putrajaya at 77.6 per cent and W. P. Kuala Lumpur at 75.5 per cent.

Concluding the statement, Malaysia's labour market is observed to be in a stable outlook in the coming months due to rising domestic demand, higher labour productivity, increased employment opportunities, and broad-based investments, particularly in technology and strategic sectors. Although there are challenges such as talent migration, global trade tensions, and inflation, government policies focusing on digitalisation, technical training, and investment incentives are expected to sustain medium- to long-term growth in the labour market.

ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.

Malaysia, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day will be celebrated on 20th October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.

OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

Chart 1: Employed persons, Malaysia, January - June^r, October^r - December 2024, and January - June 2025

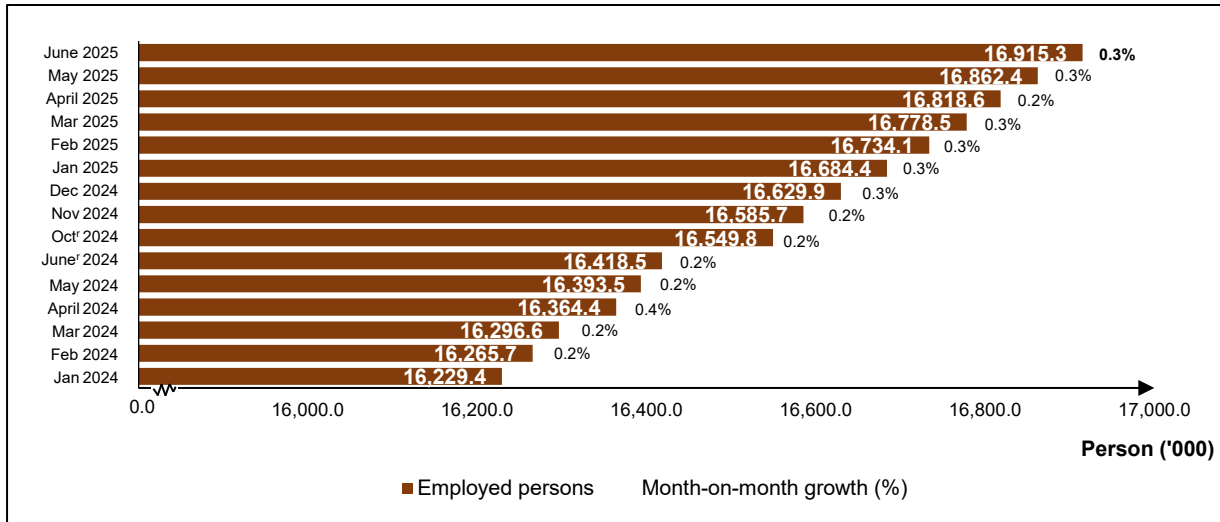


Chart 2: Unemployment, Malaysia, January - June^r, October^r - December 2024, and January - June 2025

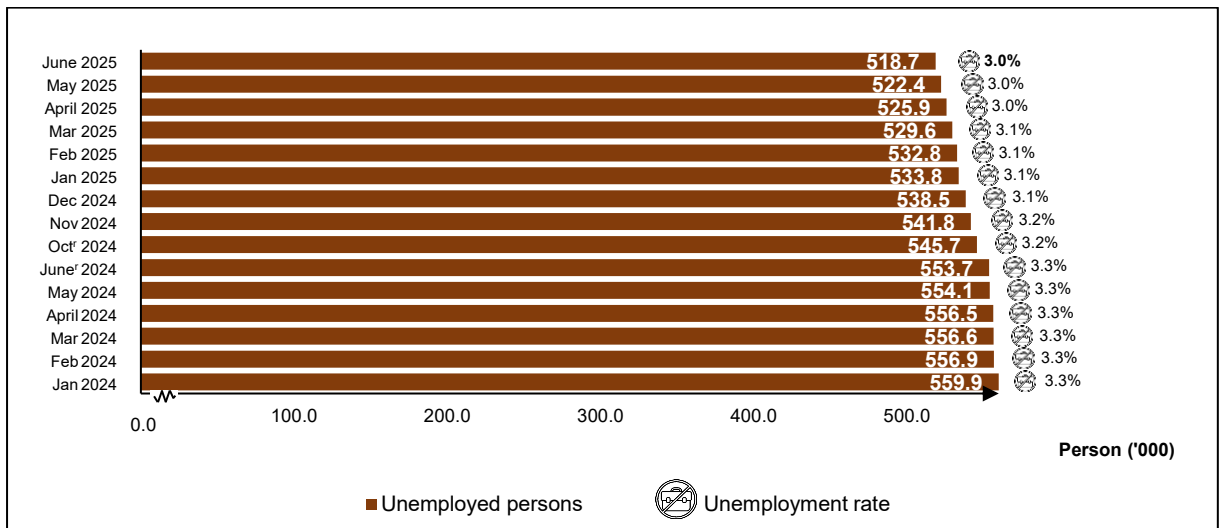


Chart 3: Outside labour force, Malaysia, January - June^r, October^r - December 2024, and January - June 2025

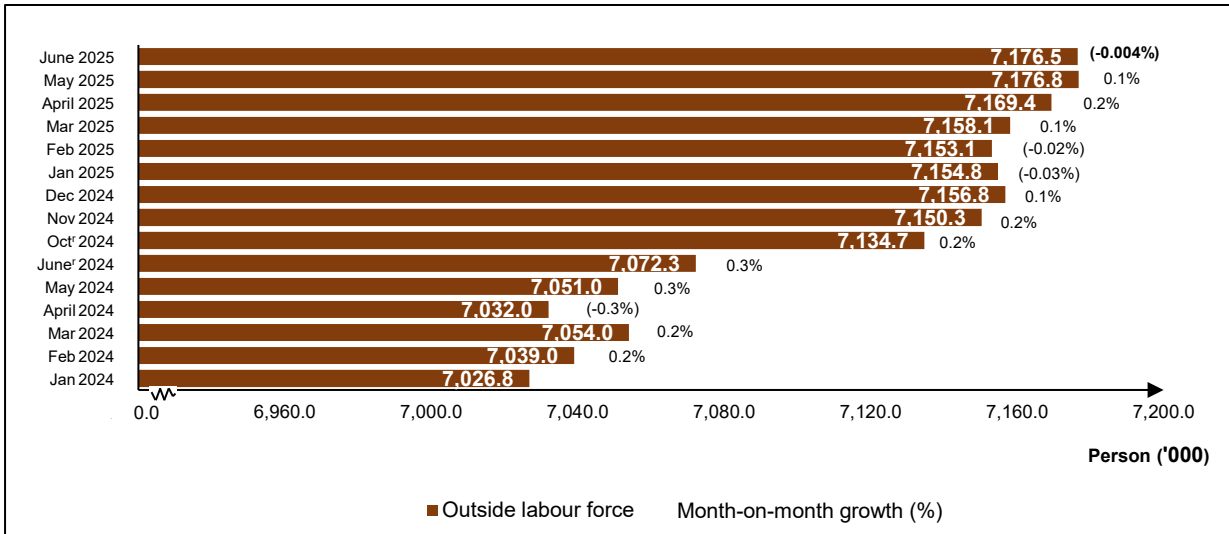


Chart 4: Unemployment, Malaysia, Q1 2024 - Q2 2025

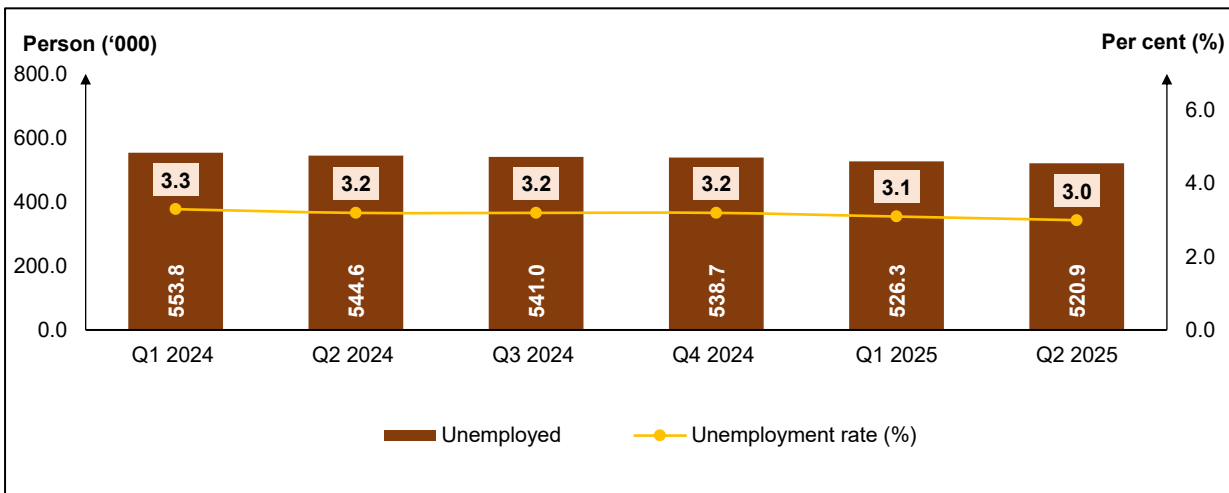
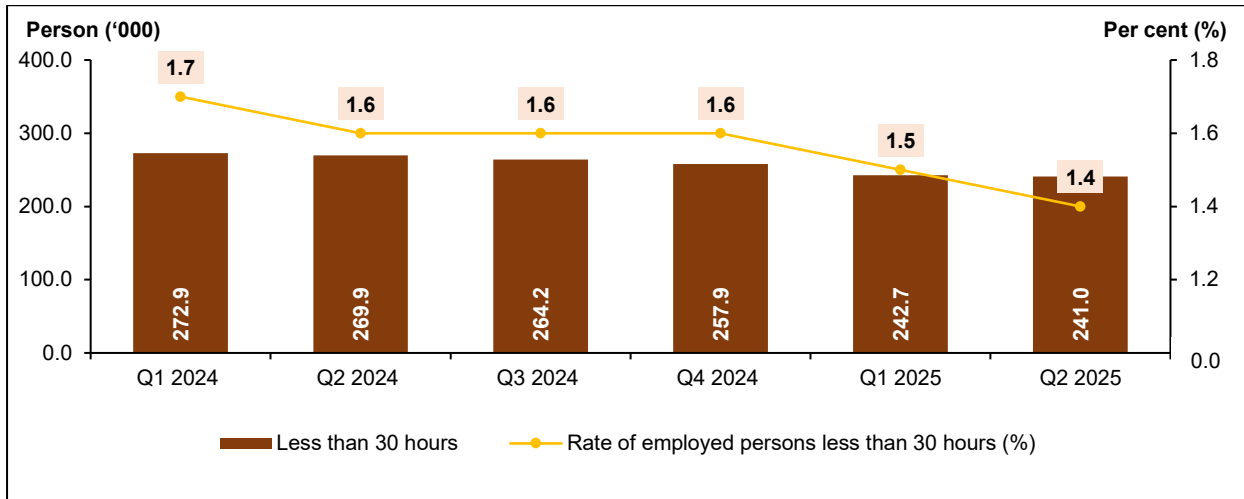
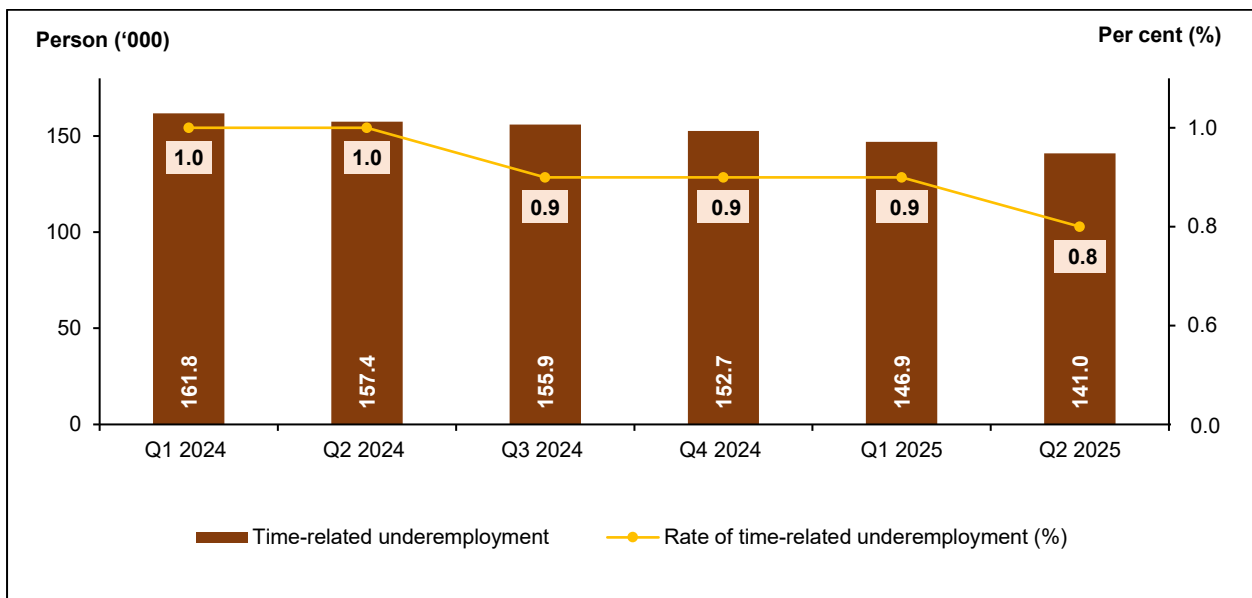


Chart 5: Employed persons working less than 30 hours, Q1 2024 - Q2 2025



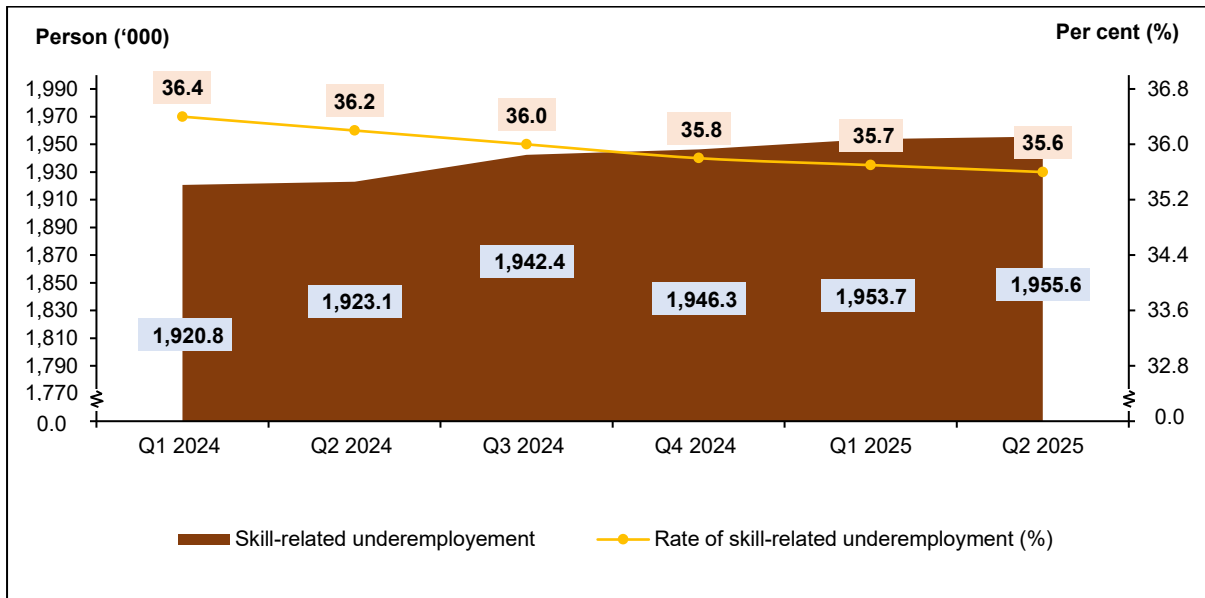
$$\text{Rate of employed persons less than 30 hours} = \frac{\text{Number of employed persons less than 30 hours}}{\text{Number of employed persons}}$$

Chart 6: Time-related underemployment, Q1 2024 - Q2 2025



$$\text{Rate of time-related underemployment} = \frac{\text{Number of time-related underemployment}}{\text{Number of employed persons}}$$

Chart 7: Skill-related underemployment, Q1 2024 - Q2 2025



$$\text{Rate of skill-related underemployment} = \frac{\text{Number of skill-related underemployment}}{\text{Number of employed persons with tertiary education}}$$

Note:

1. The Labour Force Survey indicators from January 2024 and the first quarter of 2024 onwards are estimated based on the Population and Housing Census of Malaysia 2020
2. † Revision based on the current population estimates from the Population and Housing Census of Malaysia 2020
3. The Labour Force Statistics from first quarter of 2024 are estimated based on the Population and Housing Census of Malaysia 2020

Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA

DEPARTMENT OF STATISTICS MALAYSIA

11th AUGUST 2025