



MEDIA STATEMENT

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LABOUR MARKET REVIEW, THIRD QUARTER 2025

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PUTRAJAYA, NOVEMBER 21st, 2025 – Malaysia's labour market demonstrated resilience in Q3 2025 with a Labour Force Participation Rate of 70.9 per cent, labour demand reaching 9.16 million jobs, and productivity rising to RM45.1 per hour worked. The Department of Statistics Malaysia (DOSM) released the **Labour Market Review, Third Quarter 2025 (LMR Q3 2025)** today, consolidating quarterly labour statistics and providing an in-depth analysis of Malaysia's labour market trends. This edition also features a special article to provide a comprehensive overview of 'The State of Graduate Market in Malaysia: From a Perspective of Data'.

Malaysia's economic performance remained steady at 5.2 per cent year-on-year in the third quarter of 2025, supported by sustained growth in household spending and favourable labour market conditions, particularly through higher labour force participation and stable employment opportunities. Robust domestic demand was driven by the Government's cash assistance programme for individuals aged 18 and above, as well as the reduction in the Overnight Policy Rate (OPR), both of which encouraged stronger household expenditure.

Economic developments were further supported by expansion across key sectors, including manufacturing and construction, which recorded growth of 4.1 per cent and 11.8 per cent, respectively. At the same time, the mining sector experienced a stronger rebound following increased oil and gas production. Exports also strengthened in line with the global recovery cycle, particularly in the Electrical and Electronics (E&E) subsector. Stable investment activity, supportive fiscal and monetary policies, and moderate inflation continued to reinforce economic sentiment. Collectively, these factors placed Malaysia's economy on a steady growth trajectory throughout the third quarter of 2025.

Commenting on the overall performance for the third quarter of 2025, Dato' Sri Dr. Mohd Uzir Mahidin, Chief Statistician of Malaysia, stated that the labour

market remained resilient, supported by the continuous rise in the number of employed persons and a decline in unemployment. The labour force expanded by 489.9 thousand persons to 17.49 million (Q3 2024: 17.00 million), driven by a 3.1 per cent year-on-year increase in employed persons to 16.97 million. The Labour Force Participation Rate rose to 70.9 per cent (Q3 2024: 70.6%), while the number of unemployed persons decreased to 519.9 thousand, bringing the unemployment rate down to 3.0 per cent, down by 0.2 percentage points from the same quarter of the previous year.

Observing the underemployment situation, the Chief Statistician stated, "The continued increase in employed persons in Q3 2025 led to a 12.6 per cent year-on-year decline in the number of individuals working less than 30 hours per week, totalling 230.9 thousand persons. Consequently, time-related underemployment fell by 14.5 per cent to 133.3 thousand persons, equivalent to 0.8 per cent. Meanwhile, skill-related underemployment, referring to individuals with tertiary education employed in semi-skilled and low-skilled occupations, stood at 1.96 million persons compared to 1.94 million in the Q3 2024, with rate declining to 35.5 per cent (Q3 2024: 36.0%)."

According to the Chief Statistician of Malaysia, the economy maintained its growth momentum in the third quarter of 2025, accompanied by higher labour demand. The total number of jobs increased to 9.16 million jobs, the highest level recorded since the first quarter of 2022, with an increase of 1.7 per cent year-on-year (+151.1 thousand jobs) compared to 9.01 million in the same quarter of 2024. Of this total, 97.8 per cent or 8.97 million jobs were filled, while the vacancy rate remained at 2.2 per cent, equivalent to 197.1 thousand vacancies. Additionally, jobs created improved by 1.6 per cent year-on-year, with 32.3 thousand new jobs recorded in Q3 2025.

In terms of labour productivity, value added per employment rose by 3.6 per cent year-on-year to RM26,052 per person in the third quarter of 2025 (Q3 2024: RM25,148). Similarly, labour productivity per hour worked also recorded an improvement, increasing by 3.8 per cent year-on-year to RM45.1 per hour (Q3 2024: RM43.5).

Dato' Sri Dr. Mohd Uzir Mahidin concluded his statement on today's release by saying, "Malaysia continues to demonstrate resilience by sustaining economic growth despite global headwinds, supported by strong domestic demand. The stable growth trajectory, alongside the recovery in regional trade and investment, has contributed to the strengthening of the Malaysian Ringgit, one of the best-performing currencies in Asia in 2025 almost reaching its highest level in four years amid improving domestic economic momentum and easing global trade tensions, which in turn encouraged higher offshore investor inflows into domestic debt instruments."

Malaysia has, for the first time, successfully secured the top position 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.

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>.

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