



MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

## **MEDIA STATEMENT**

### **LABOUR MARKET REVIEW, FOURTH QUARTER 2022**

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**Malaysia's labour market condition remained positive with 30.9 thousand new jobs created during the fourth quarter of 2022, spurred by robust domestic demand amid external headwinds.**

**PUTRAJAYA, 17 February 2023** - Malaysia's labour market condition remain positive during the fourth quarter of 2022, spurred by robust domestic demand amid external headwinds. The Department of Statistics, Malaysia (DOSM) reported today on the release of **Labour Market Review, Fourth Quarter 2022 (LMR Q4 2022)**. This publication consolidates quarterly labour statistics and highlighted the recent Malaysia's labour market situation to provide more comprehensive narrative.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "Higher demand for labour by the industries attributed to the increase in employment and reduction of unemployment. These circumstances have steered encouraging economic growth and better labour market situation, aligned with the continuous expansion in domestic demand and improvement of the current economic and social activities. Therefore, Malaysia's economy continued to expand by 7.0 per cent in the fourth quarter of 2022 after recording double-digit growth in the previous quarter.

In line with current economic development, jobs in the private sector edged up by 2.6 per cent to 8.76 million jobs (Q4 2021: 8.53 million). Filled jobs which made up 97.8 per cent of total jobs grew 2.6 per cent to 8.56 million while job opening in the economy was indicated by the number of vacancies which made up another 2.2 per cent of jobs, elevated by 4.8 per cent to 192.4 thousand vacancies. More than half of the job vacancies in the fourth quarter of 2022 were in the Manufacturing sector, accounting for 107.5 thousand job vacancies, largely in the sub-sector of Electrical, electronic and optical products which recorded 33.1 thousand vacancies. A better labour demand situation during the quarter was also indicated by the 47.9 per cent increase in the number of jobs created, encompassing 30.9 thousand."

Commenting on the labour supply situation during the fourth quarter of 2022, the Chief Statistician said, "The number of labour force increased 2.5 per cent to record 16.54 million persons, predominantly contributed by the increment of 3.2 per cent in employed persons which accounted for 15.94 million persons (Q4 2021: 15.44 million). On the contrary, the number of unemployed persons decreased by 13.5 per cent to 611.8 thousand persons, resulting to the lowest unemployment rate since the emergence of COVID-19 at 3.6 per cent, approaching nearly to the rate before the pandemic

(Q4 2021: 694.4 thousand; 4.3%). Labour participation which reflected by the labour force participation rate (LFPR) was recorded higher during this quarter, escalated by 0.9 percentage points year-on-year to 69.5 per cent (Q4 2021: 68.7%).”

He added that, “Since Malaysians resumed to near-normal life after two years of facing the COVID-19 pandemic, the number of persons working less than 30 hours per week persisted in trending down by 31.8 per cent as against the same quarter in 2021, registering 268.5 thousand persons (Q4 2021: 393.8 thousand). Accordingly, the number of persons in time-related underemployment decreased by 42.9 per cent to 167.4 thousand persons, with a rate of 1.1 per cent (Q4 2021: 293.1 thousand; 1.9%). In the meantime, the number of skilled-related underemployment recorded a total of 1.89 million persons with a rate of 37.4 per cent (Q4 2021: 1.84 million; 37.5%) or comprised more than one-third of employed persons with tertiary education.”

As the economy expanded in the fourth quarter of 2022, labour productivity measured by value added per employment increased by 3.6 per cent (Q3 2022: 10.2%) as against the same quarter last year to record a value of RM24,915 per person (Q4 2021: RM24,047; Q3 2022: RM24,242). Meanwhile, value added per hour worked also increased by 1.9 per cent with a value of RM 43.1 per hour (Q3 2022: RM42.5; Q4 2021: RM42.3). In this quarter, total hours worked ascended by 5.0 per cent to register 9.21 billion hours.

The Chief Statistician further highlighted the performance of the labour market for the year 2022, “Preliminary estimates based on quarterly average data indicated that the number of employed persons rose by 4.6 per cent to 15.76 million persons in 2022 (2021: 0.7%; 15.06 million), which rising in tandem with the expansion of economy during the year. On the contrary, the number of unemployed persons declined to 631.4 thousand in 2022 recording the lowest number of unemployed since the pre-pandemic level. The unemployment rate during the year was 3.9 per cent, a fall of 0.7 percentage points from 2021 (4.6%). Thus, the number of labour force rose by 3.8 per cent to 16.39 million persons whereas LFPR edged up by 0.7 percentage points to 69.3 per cent. While the remaining 30.7 per cent of people in the working-age population were classified as outside labour force.

The year 2022 has observed the labour demand strengthened as jobs in the economic sector increased to 8.76 million, the highest throughout the time series since 2018. A total of 116.7 thousand jobs were created in 2022, higher than 69.5 thousand jobs created in the prior year. In terms of labour productivity, with the positive economic growth of 8.7 per cent in 2022, labour productivity per employment increased by 5.4 per cent from 1.8 per cent in 2021 to record RM95,628 per person (2021: RM90,697). Following an increase in total hours worked by 6.7 per cent to 36.12 billion hours as compared to the Gross Domestic Product growth, the labour productivity per hour worked improved by 1.8 per cent registering RM41.7 per hour (2021: RM41.0).”

*Concluding his statement on today's release, Dato' Sri Dr Mohd Uzir Mahidin said, "Malaysia's labour market has steadily improved as a consequence of the country's sustained economic operation and social activities. Moving into 2023, the labour market is anticipated to grow at a more moderate pace in line with the economic growth after coming off a strong recovery in 2022. However, the global uncertainty in the upcoming quarters is expected to influence economic and social activities as well as the labour market. As we advance, the overall labour market performance is expected to remain positive and stable as demand for workers continues to be more resilient in supporting job creation and income growth, despite the challenges of an unprecedented situation that may occur in the future.*

*Time series statistics and more information on the labour market can be obtained from the Malaysia Labour Market Interactive Data (MyLMID) portal. For more information, please visit <https://mbls.dosm.gov.my/mylmid/> or scan the QR code below.*



*DOSM has launched OpenDOSM NextGen as a platform that provides a catalogue of data and visualisation that facilitates users in analysing various types of data. OpenDOSM NextGen is an open source data sharing medium and accessible through <https://open.dosm.gov.my>. portal.*

*Released by:*

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
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