



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

**MEDIA STATEMENT
LABOUR FORCE STATISTICS, MALAYSIA,
DECEMBER AND FOURTH QUARTER 2023**

The number of unemployed persons continued to fall to 567.8 thousand persons in December 2023, with an unemployment rate of 3.3 per cent

PUTRAJAYA, 09 February 2024 – The number of unemployed persons continued to fall to 567.8 thousand persons in December 2023, with an unemployment rate of 3.3 per cent, the Department of Statistics Malaysia (DOSM) reported today in the release on ***Statistics of the Labour Force, Malaysia, December and Fourth Quarter 2023***. The statistics described the labour supply situation based on the Labour Force Survey conducted by DOSM.

Enlightening on the overall performance for December 2023, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, “The positive employment trends observed in the final month of 2023 were indicative of the stable nation’s economic foundations, driven by a continuing growth in economic and social activities. Consequently, the labour force further expanded throughout the month, as indicated by a positive trend in employed persons and a concurrent decrease in the number of unemployed persons. Thus, the number of labour force remained increasing in December 2023, with an addition of 0.1 per cent month-on-month to 17.03 million persons (November 2023: 17.0 million persons), recording a higher labour force participation rate (LFPR) of 70.2 per cent (November 2023: 70.1%).”

Adding to this, Dato' Sri Dr. Mohd Uzir Mahidin also stated that the number of employed persons continued on a positive trend, with a month-on-month increase of 0.2 per cent to record 16.46 million persons compared to the preceding month (November 2023: 16.43 million persons). Meanwhile, the number of unemployed persons continued to decline, with a reduction of 0.2 per cent to register 567.8 thousand persons (November 2023: 569.2 thousand persons). The unemployment rate in December 2023 remained unchanged at 3.3 per cent as in the previous month.

Elaborating further on the situation of employment, the Chief Statistician Malaysia said, “The total number of employed persons in December 2023 was primarily comprised of the employees’ category, accounting for 75.2 per cent. This category rose by 0.1 per cent to 12.38 million persons (November 2023: 12.37 million persons).

Similarly, the rising trend was also seen in the own-account workers category, which increased by 0.3 per cent to 3.0 million persons (November 2023: 2.99 million persons).”

In terms of economic sectors, the Services sector continued to record a rise in the number of employed persons, notably in Information & communication; Food & beverage services; and Transportation & storage activities. A similar trend in the number of employed persons was also observed in the Manufacturing, Construction and Mining & quarrying sectors in December 2023. In the meantime, the number of employed persons in the Agriculture sector continued to decline during the month.

Commenting further on the unemployment situation during the month, Dato' Sri Dr. Mohd Uzir Mahidin stated that 79.9 per cent of the total unemployed persons were actively unemployed or those who were available for work and were actively seeking jobs. This category edged down by 0.2 per cent to 453.6 thousand persons (November 2023: 454.5 thousand persons). Among the actively unemployed, those who were unemployed for less than three months encompassed 61.8 per cent, while those who were in long-term unemployment for more than a year accounted for 6.4 per cent. Likewise, those who believed that there were no jobs available or the inactively unemployed, went down by 0.4 per cent to 114.2 thousand persons (November 2023: 114.7 thousand persons).

In December 2023, the unemployment rate for youth aged 15 to 24 years stood at 10.6 per cent, with 307.2 thousand unemployed youths (November 2023: 10.6%; 308.5 thousand persons). Meanwhile, the unemployment rate among youth aged 15 to 30 years downed by 0.1 percentage points to 6.4 per cent, registering 432.1 thousand unemployed youths (November 2023: 6.5%; 432.0 thousand persons).

As for the inactivity group, the number of outside labour force was 7.23 million persons, which declined by 0.02 per cent in December 2023 (November 2023: 7.24 million persons). The main reason for the outside labour force was due to housework/ family responsibilities with 42.6 per cent, followed by schooling/ training (41.2%).

Summarising the overall performance for the fourth quarter of 2023, the Chief Statistician Malaysia said, “During the quarter, the number of labour force increased by 0.5 per cent, registering 16.91 million persons (Q3 2023: 16.82 million persons). Accordingly, the LFPR remained unchanged at 70.1 per cent compared to the last quarter. On the same note, the number of employed persons rose by 0.6 per cent, reaching 16.35 million persons during the quarter (Q3 2023: 16.25 million persons). Meanwhile, the number of unemployed persons reduced by 1.4 per cent to 565.0 thousand persons (Q3 2023: 573.1 thousand persons). The unemployment rate in the fourth quarter of 2023 recorded a reduction of 0.1 percentage points to 3.3 per cent (Q3 2023: 3.4%).”

In addition, Dato' Sri Dr. Mohd Uzir Mahidin stated that the number of persons who worked less than 30 hours per week increased by 0.5 per cent to 286.1 thousand persons during this quarter (Q3 2023: 284.8 thousand persons). On the same note, the number of persons who worked less than 30 hours per week and were able and willing to work additional hours or time-related underemployment fell by 3.9 per cent to 181.6 thousand persons, registering a time-related underemployment rate of 1.1 per cent (Q3 2023: 189.0 thousand persons; 1.2%). Nevertheless, skill-related underemployment, which includes those with tertiary education but working in semi-skilled and low-skilled occupations, saw a 0.7 per cent increase to 1.94 million persons, resulting in a skill-related underemployment rate of 37.4 per cent (Q3 2023: 1.92 million persons; 37.3%).

In terms of the unemployment rate and the LFPR by state, W.P. Putrajaya was reported as having the lowest unemployment rate at 1.5 per cent during the fourth quarter of 2023 across all states, followed by Perlis (2.0%), and Pulau Pinang (2.0%). Meanwhile, ten states posted an increase in LFPR, signifying more labour participation in the market. Selangor exhibited the highest LFPR at 76.2 per cent, followed by W.P. Putrajaya (74.4%), and W.P. Kuala Lumpur (73.7%).

Commenting on the overall performance of the year 2023, Dato' Sri Dr. Mohd Uzir Mahidin said, "In 2023, based on monthly average data, LFPR during the year rose by 0.7 percentage points to 70.0 per cent as against 69.3 per cent in 2022. Meanwhile, the unemployment rate dropped by 0.5 percentage points to 3.4 per cent in 2023, compared to 3.9 per cent recorded in the previous year. The favourable labour market landscape in 2023 reflects the promising and improving economic growth throughout the year, thus gradually reviving the unemployment rate back to the pre-pandemic level. In relation to this, the final data for the year 2023 will be published in June 2024."

Concluding the statement, in line with Malaysia's healthier economic prospects in 2024, supported by increased foreign direct investment (FDI), growing tourism, and higher infrastructure spending, the country's labour market may gain a positive impact. The gradual increase in tourism activities will be able to generate economic activity and create a spillover effect on other related sectors of the economy, thus opening up more business opportunities as well as the creation of various job opportunities. In addition, as the country transitions towards a greener economy, it will create new opportunities for businesses to thrive. Hence, there will be a need to build capacity, such as through the availability of highly skilled workers and the use of advanced technology in the production process. Therefore, more highly skilled jobs will be created in the future to meet this need. In line with this, the country's labour market is also expected to remain on a strong and stable growth track in the coming months, corresponding to the current economic developments and technological advances, despite global challenges and changing market trends.

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



The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides a catalog of data and visualisations to facilitate users' analysis of various data and can be accessed through <https://open.dosm.gov.my>.

DOSM will conduct the Agricultural Census in 2024. Please visit <https://www.myagricensus.gov.my/> for more information. The theme is "Agriculture Census, Key to Agricultural Development."

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is "Statistics is the Essence of Life".

The Central Database (PADU) was launched on 2 January 2024. PADU contains individual and household profiles covering citizens and permanent residents of Malaysia. The main goal of PADU is to ensure that Malaysians are not left behind from citizen centric initiatives implemented by the Government. Your kind cooperation is requested to register and update PADU by 31 March 2024. Please visit <https://www.padu.gov.my> for more information related to PADU or contact the following hotlines:

- i) Department of Statistics Malaysia: 1-800-88-7720/ 1-800-88-7721
- ii) Online Enquiries through SISPA: <https://padu.spab.gov.my>.

Chart 1: Employed persons, Malaysia, December 2020 - December 2023

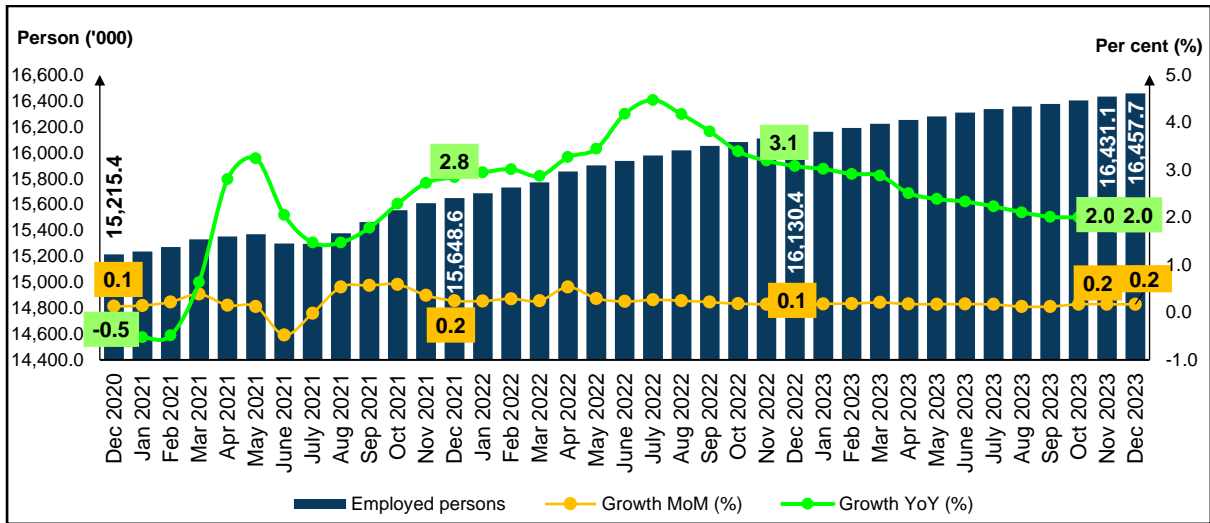


Chart 2: Unemployment, Malaysia, December 2020 - December 2023

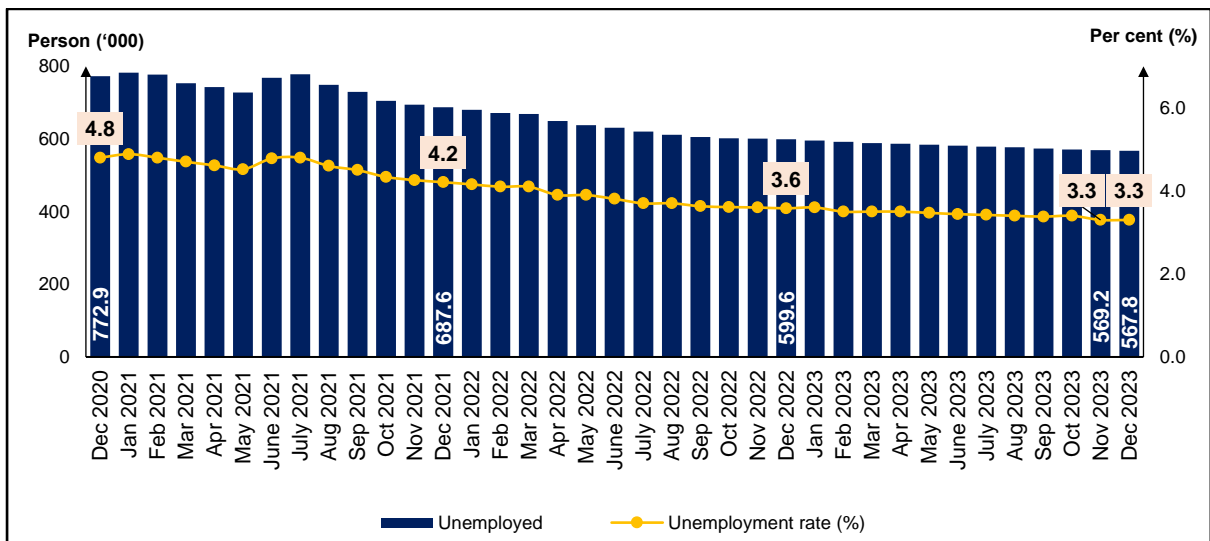


Chart 3: Unemployment, Malaysia, Q2 2020 - Q4 2023

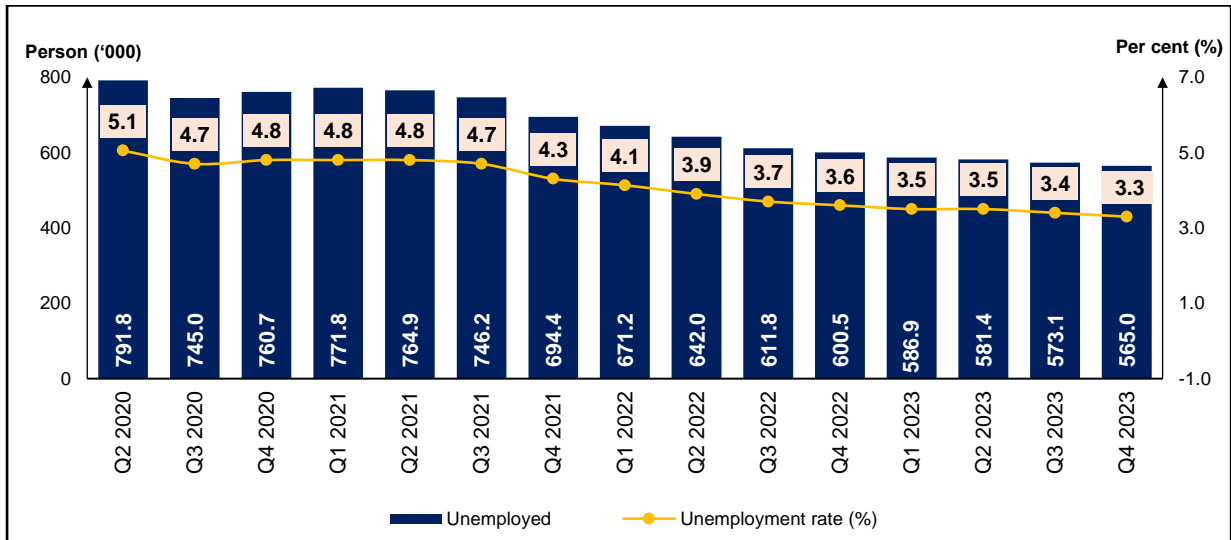
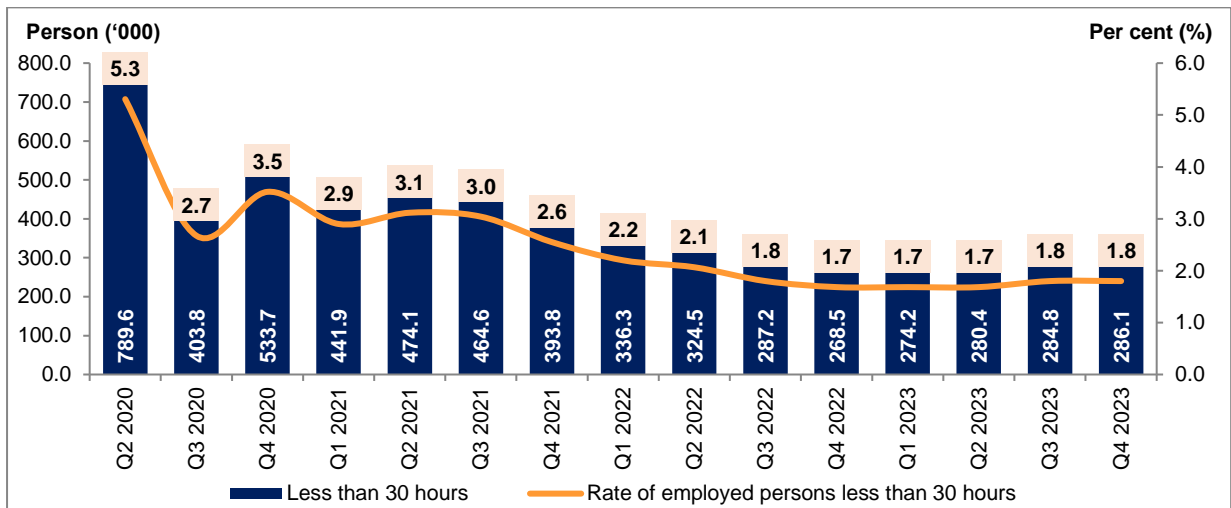
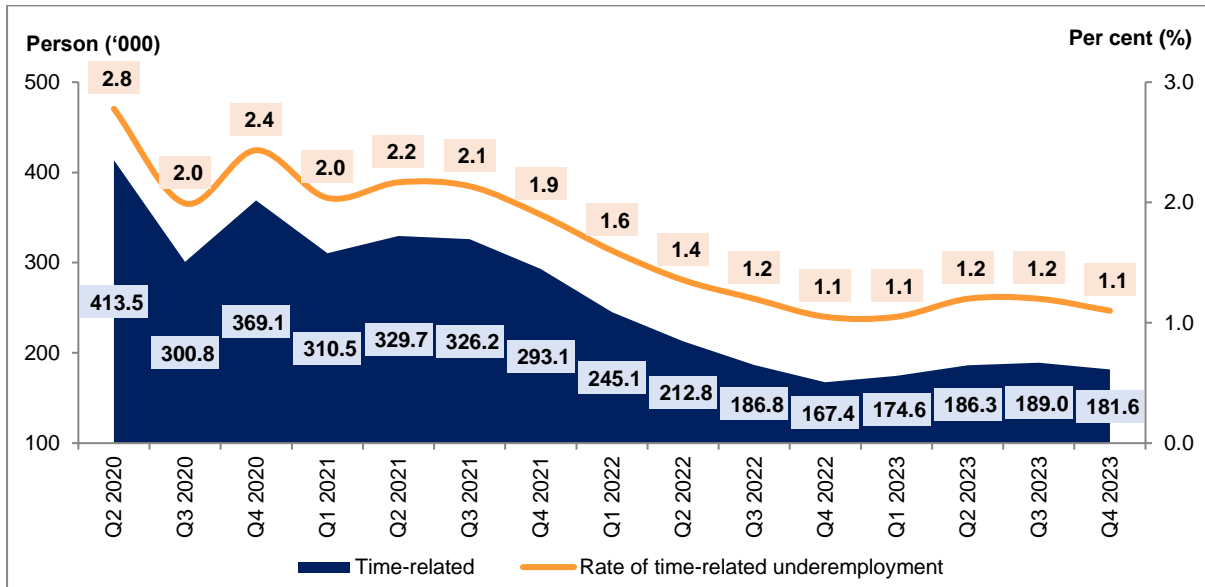


Chart 4: Employed persons working less than 30 hours, Q2 2020 - Q4 2023



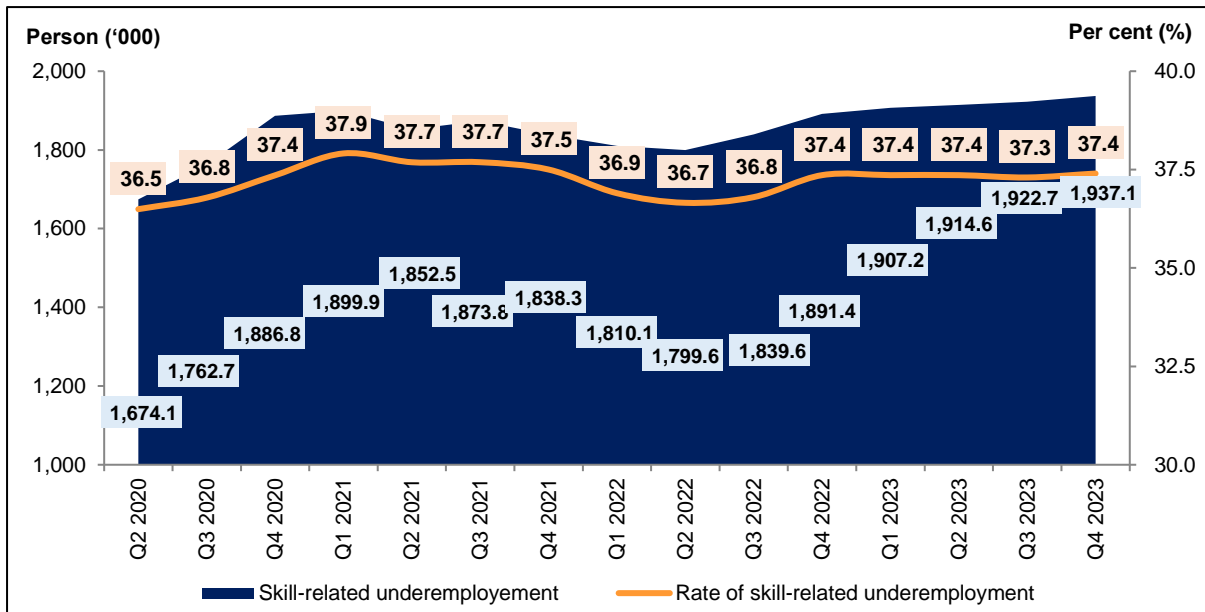
$$\text{Rate of employed persons less than 30 hours} = \frac{\text{Number of employed persons less than 30 hours}}{\text{Number of employed persons}}$$

Chart 5: Time-related underemployment, Q2 2020 - Q4 2023



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

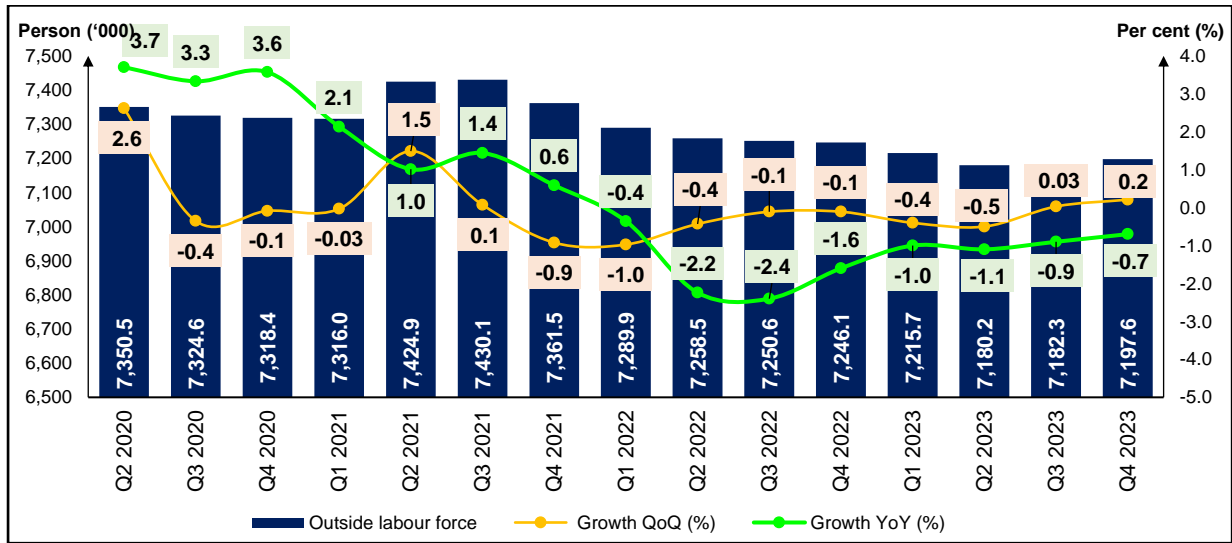
Chart 6: Skill-related underemployment, Q2 2020 - Q4 2023



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

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Chart 7: Outside labour force, Malaysia, Q2 2020 - Q4 2023



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**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
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