



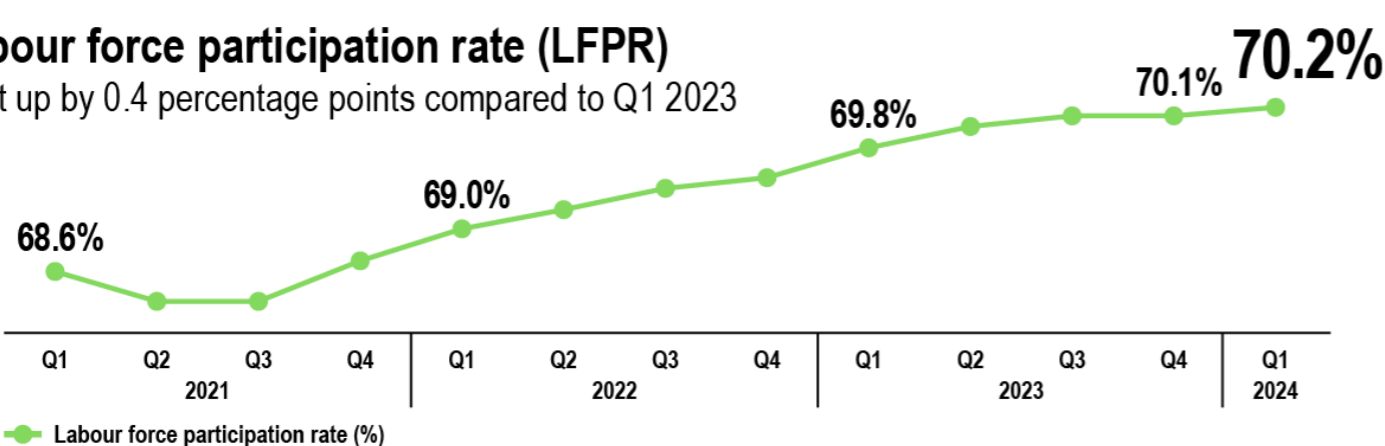
LABOUR MARKET REVIEW, FIRST QUARTER 2024

The first quarter of 2024 shows an improvement in Malaysia's labour market conditions as both demand and supply ascended further

LABOUR SUPPLY

Labour force participation rate (LFPR)

went up by 0.4 percentage points compared to Q1 2023



16.96 million
labour force

▲ 1.9% YoY
▲ 0.3% QoQ

7.19 million
outside
labour force

▼ -0.3% YoY
▼ -0.1% QoQ

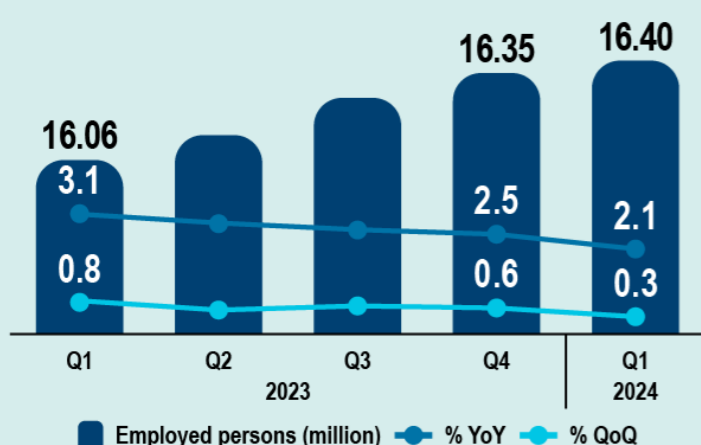
More than 85 per cent did not seek for work due to schooling and housework

41.6%
Schooling/
Training program

44.0%
Housework/
family responsible

14.4%
Others*

*refer to people who are going for further study, disabled, not interested/ just completed study and retired/ old age



Employed persons

continued to increase, albeit at a slower rate

to **16.40 million** persons

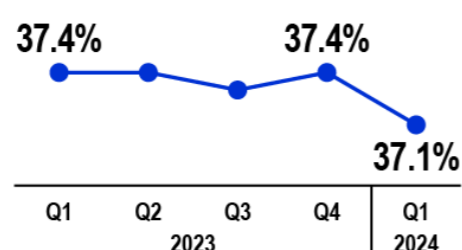


Underemployment situation

175.4 thousand
time-related
underemployment
Rate: 1.1%

▲ 0.4% YoY
▼ -3.5% QoQ

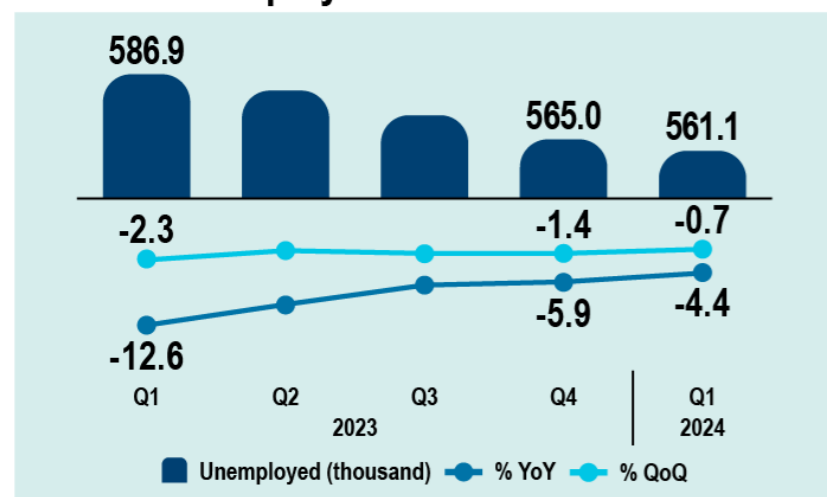
**Skill-related
underemployment rate**



More than one-third of tertiary-educated employed persons are prevalent in semi-skilled and low-skilled occupations recorded

1.93 million persons

National unemployment situation



Unemployed

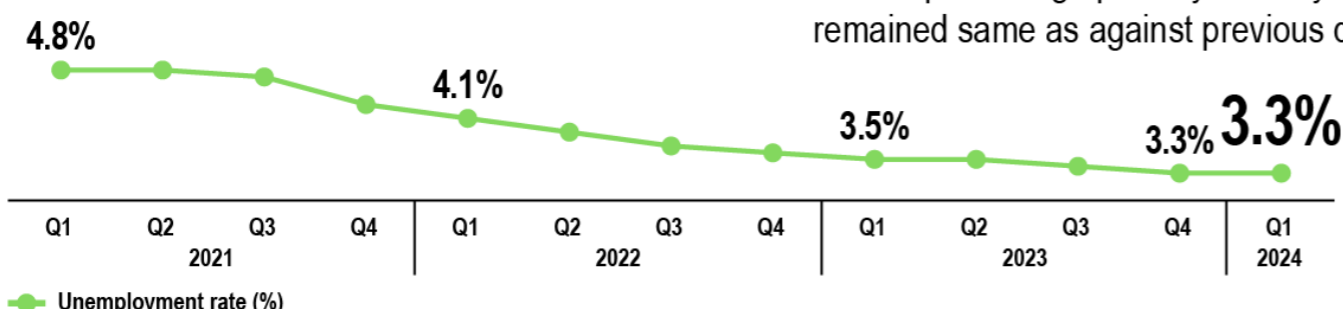
decreased during Q1 2024 to

561.1 thousand persons



Unemployment rate

declined 0.2 percentage points year-on-year, but remained same as against previous quarter



LABOUR DEMAND

During Q1 2024

8.94 million jobs in economic sector

increased 1.5 per cent compared to the same quarter of 2023



8.75 million
filled jobs

▲ 1.5% YoY
▲ 0.01% QoQ

Rate of filled jobs
97.9%



191.9 thousand
vacancies

▼ -0.4% YoY
▲ 0.9% QoQ

Rate of vacancies
2.1%



More than half (**56.7%**) of jobs opening during Q1 2024 were in the **Manufacturing sector** with a total of **180.8 thousand** vacancies



32.1 thousand
jobs
created

▲ 1.3% YoY
▲ 3.5% QoQ

27.5% Skilled
61.9% Semi-skilled
10.5% Low-skilled



Total hours worked during Q1 2024

9.45 billion jam
▲ 2.2% YoY
▲ 0.4% QoQ

LABOUR PRODUCTIVITY

Both measures of labour productivity registered an increase compared to the same quarter of the previous year

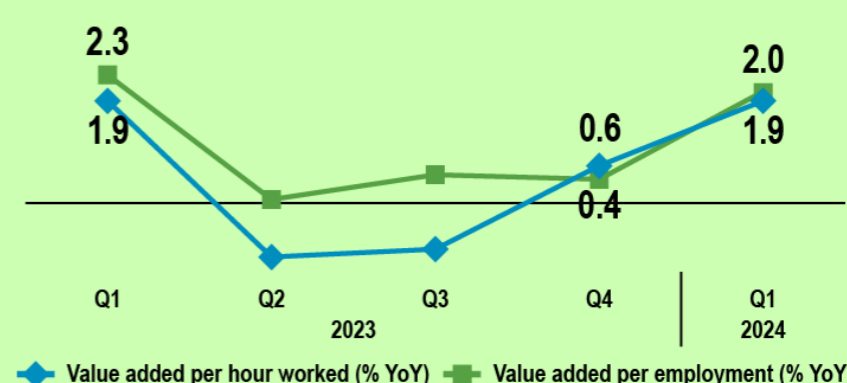
Labour productivity during Q1 2024



RM42.0
per hour worked



RM24,230
per employment



The first quarter of 2024 shows an improvement in Malaysia's labour market conditions as both demand and supply ascended further.

- Labour supply expanded further, with the labour force participation rate rose 0.4 percentage points year-on-year to 70.2 per cent during Q1 2024. During the same period, labour force increased by 1.9 per cent to record 16.96 million persons. In the meantime, the number of employed persons continued to increase by 2.1 per cent to 16.40 million persons with employment-to-population ratio ascending to 67.9 per cent. The number of unemployed declined by 4.4 per cent to 561.1 thousand persons, hence registering an unemployment rate of 3.3 per cent during Q1 2024.
- The number of persons in time-related underemployment or those who were employed less than 30 hours per week and were able and willing to work additional hours posted a slight increase of 0.4 per cent from the same quarter of the previous year to record 175.4 thousand persons during Q1 2024. Accordingly, the rate of time-related underemployment remained at 1.1 per cent. Meanwhile, skill-related underemployment which comprised more than one-third of employed persons with tertiary education went down by 0.3 percentage points to 37.4 per cent as a year ago.
- Looking at labour demand, jobs in the private sector increased by 1.5 per cent year-on-year to record a total of 8.94 million jobs. Filled jobs comprised of 97.9 per cent, surged by 1.5 per cent over the same quarter of the preceding year to 8.75 million. However, jobs opening as reflected by the number of vacancies decreased slightly by 0.4 per cent to 191.9 thousand vacancies during Q1 2024. Indicative of improvement in demand, the number of jobs created increased by 1.3 per cent to 32.1 thousand jobs.
- As Malaysia's economy expanded by 4.2 per cent during Q1 2024, labour productivity as measured by value added per employment posted an increase of 2.0 per cent as compared to the same quarter of 2023, registering the level of RM24,230 per person. During the same period, total hours worked surged by 2.2 per cent to 9.45 billion hours. Therefore, labour productivity per hour worked improved by 1.9 per cent to bring the level of productivity at RM42.0 per hour.
- Despite ongoing external headwinds, Malaysia's economic outlook will continue to be underpinned by sustained expansion of domestic demand and improvement in external demand, including increased tourism activities, continued implementation of infrastructure projects, further realisation of committed foreign direct investments, and the government's initiatives. A favourable country's economic prospects will lead to more vibrant business and economic activity, thus creating more high-skilled jobs and greater income opportunities. Therefore, a promising labour market condition is foreseen in the upcoming quarter, reflecting confidence in the economy. Nevertheless, the growth prospects remain subject to downside risks from weaker-than-expected external demand, heightened geopolitical conflicts, and larger declines in domestic commodity production.

