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MEDIA STATEMENT

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GRADUATE STATISTICS 2023

"Malaysia registered 5.74 million graduates, increased 4.2 per cent with more than two-thirds employed in Skilled occupation in 2023"

PUTRAJAYA, DECEMBER 24th, 2024 *– Malaysia registered 5.74 million graduates, increased 4.2 per cent with more than two-thirds employed in Skilled occupation in 2023, the Department of Statistics, Malaysia (DOSM) stated today in the release of* ***Graduates Statistics 2023****. The report describes the statistics of overall graduates in the labour market in 2023 by demographic and socio-economic characteristics. Graduates in this report are defined as individuals with the highest certificate obtained from universities, colleges, polytechnics, recognised bodies or equivalent, with a study duration of at least two years.*

According to Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "A positive economic and labour market environment throughout 2023 has contributed to the increase in the number of graduates, registering 5.74 million persons or 22.3 per cent of the working-age population of 15 years and above. Out of the total graduates, 4.92 million persons were active in the labour force, reflecting a Graduate Labour Force Participation Rate (GLFPR) of 85.7 per cent. Degree holders represent 54.4 per cent (3.12 million persons), while diploma holders account for 45.6 per cent (2.62 million persons). The number of degree graduates in the labour force rose by 5.4 per cent, while diploma holders saw a 3.5 per cent increase on year-on-year growth, driven by improved employment opportunities and lower unemployment."

In 2023, Employed graduates grew by 4.9 per cent to 4.76 million persons compared to 4.53 million persons in 2022, as Malaysia fostered a healthier labour market. Around two-thirds or 67.6 per cent of graduates were employed in the Skilled occupation category, accounting for 3.21 million persons, with the highest proportion working as Professionals (57.4%) followed by Technicians and Associate Professionals (24.2%) and Managers (18.5%). Employed graduates in Semi-skilled roles accounted for

31.3 per cent or 1.49 million persons of graduate employment, while those employed in the Low-skilled category represented just 1.1 per cent (51.8 thousand persons). Employed graduates in Skilled and Semi-skilled categories recorded a positive growth of 7.8 per cent and 0.2 per cent, respectively, compared to 2022, while the Low-skilled category registered a notable decline of 22.0 per cent.

Elaborating further, the Chief Statistician said, "In terms of status of employment for employed graduates, the Employees category accounted for 87.4 per cent reaching 4.16 million persons in 2023, a 4.1 per cent increase year-on-year. The Employers category, representing 5.3 per cent, saw a substantial rise of 9.3 per cent, totalling 251.4 thousand persons. Similarly, the number of Own-account workers, accounting for 6.5 per cent of employed graduates, grew by 13.5 per cent to 310.7 thousand persons in 2023. Meanwhile, Unpaid family workers made up the remaining 0.8 per cent recording 37.6 thousand persons in 2023.

By economic sector, most graduates were employed in the Services sector, which accounted for 77.5 per cent of graduate employment, recording 3.69 million persons. This was followed by the Manufacturing sector (13.4%) with 637.9 thousand persons and the Construction sector (6.3%) with 301.1 thousand persons. Meanwhile, the Agriculture sector (1.7%) and Mining & Quarrying sector (1.0%) comprised the remainder with 83.0 thousand persons and 46.8 thousand persons respectively.

Dato' Sri Dr. Mohd Uzir Mahidin explained, "Skill-related underemployment remains a challenge, not only in Malaysia but also at the global level. Malaysia has taken significant steps to address this issue, demonstrating its commitment to aligning workforce qualifications with labour market demands. In 2023, the number of graduates working below their qualifications fell by 0.7 per cent to 1.54 million persons, bringing the skill-related underemployment rate down to 32.4 per cent. This achievement places Malaysia ahead of countries such as Indonesia (44.4%), South Korea (37.4%), and Vietnam (35.0%), reflecting its efforts in reducing skill mismatches. While Malaysia still trails advanced countries like Australia (26.5 %), the United States (26.1%), and the United Kingdom (20.3%), the downward trend demonstrates its potential for further improvement" ***[Chart 1]***

Younger individuals, particularly those aged 24 and below, often experience higher rates of underemployment as they are more likely to accept roles beneath their qualifications to gain experience, build well-constructed resumes, earn an income and secure a foothold in the labour market. Conversely, individuals aged 45 and above typically face lower underemployment rates, as their accumulated skills, experience, and professional networks position them for more appropriate and stable employment opportunities aligned with their qualifications.

Another aspect of underemployment includes graduates working less than 30 hours per week due to the nature of their jobs or insufficient work, despite being able and willing to take on additional hours. With the economy's expansion, the number of graduates experiencing time-related underemployment saw a substantial year-on-year decline of 52.5 per cent to record 35.5 thousand persons. Correspondingly, the time-related underemployment rate among graduates decreased to 0.7 per cent, down from 1.7 per cent in 2022.

Despite the national female Labour Force Participation Rate (LFPR) of 56.2 per cent in 2023, the Graduate Labour Force Participation Rate (GLFPR) for females stood higher at 83.2 per cent. Overall, the national GLFPR in 2023 was 85.7 per cent, marking an increase of 0.3 percentage points compared to 85.4 per cent in 2022. Meanwhile, GLFPR for males increased 0.5 percentage points to 88.6 per cent as compared to 88.1 per cent in 2022. At the state level, six states recorded a GLFPR higher than the national average in 2023 with Johor leading at 90.0 per cent, followed by Selangor (88.7%), W.P. Kuala Lumpur (88.1%), W.P. Labuan (87.4%), Sabah (87.0%) and W.P Putrajaya (86.0%).

Looking at the unemployment situation during the year, Dato' Sri Dr. Mohd Uzir Mahidin said, "Graduate unemployment rate declined by 0.3 percentage points marking a 3.4 per cent from 3.7 per cent in the previous year. Consequently, the number of unemployed graduates dropped by 4.3 per cent to 167.3 thousand persons from 174.8 thousand persons in 2022. Upon further analysis based on certification, it was noted that the number of unemployed Degree graduates dropped by 4.6 per cent to 91.6 thousand persons (2022: 96.0 thousand persons), while unemployed Diploma graduates decreased by 3.8 per cent to 75.8 thousand persons (2022: 78.8 thousand persons). Optimistically, the majority of actively unemployed graduates secure employment within the first three months as shown by the growth of 16.0 per cent in the duration of unemployment of less than three months. In contrast, graduates outside the labour force accounted for 14.3 per cent of the total graduates in 2023 due to housework/ family responsibilities (34.5%), followed by attending school/ training programme (30.6%)."

Commenting briefly on the salaries and wages received by graduates, Dato' Sri Dr. Mohd Uzir Mahidin said, "Higher salaries & wages were recorded for graduates in 2023 as compared to the preceding year, whereby the median monthly salaries & wages in their full-time equivalent principal occupations rose by 3.4 per cent to RM4,409 (2022: RM4,265). Notably, all three skill categories experienced positive growth with graduates in the skilled occupation category recording 3.6 per cent increase in their median monthly salaries & wages, reaching RM5,663 (2022: RM5,467). Meanwhile, the median monthly salaries & wages for the Semi-skilled

category, increased by 4.3 per cent to RM2,375 (2022: RM2,276). Similarly, the low-skilled category rose 1.9 per cent, with a median of RM1,915 (2022: RM1,880)."

All states recorded growth in the median and mean monthly salaries and wages of graduates in 2023 compared to 2022. The three states with the highest median salaries and wages for graduates were W.P. Kuala Lumpur at RM5,694, registering year-on-year growth of 8.0 per cent, followed by W.P. Putrajaya (RM4,963) with an increase of 4.4 per cent, and Selangor (RM4,792) with growth of 1.2 per cent. For the highest mean monthly salaries and wages for graduates, W.P. Putrajaya led at RM6,084, followed by W.P. Kuala Lumpur (RM5,779) and Selangor (RM5,356), recording year-on-year growth of 7.1 per cent, 4.0 per cent, and 4.7 per cent, respectively. These states serve as key economic and administrative centres and offer a concentration of high-paying jobs particularly in urbanized areas, driving strong salary growth and attracting skilled graduates. ***[Chart 2]***

In concluding the findings of graduate statistics in 2023, the Chief Statistician said, "Despite the current global economic uncertainties, Malaysia's labour market remained resilient in 2023, supported by the ongoing implementation of the 12th Malaysia Plan, which focuses on developing a high-skilled workforce to drive economic growth. Through Budget 2024, the government continues to support students with affordable university fees and initiatives to enhance graduate employability. Looking ahead, efforts to align education with job market demands, and the integration of AI-based learning tools will ensure that future graduates are well-equipped to contribute to Malaysia's sustained economic growth and innovation."

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Time series statistics and more information on the labour market can be obtained from the Malaysia Labour Market Interactive Data (MyLMID) portal by visiting https://mbls.dosm.gov.my/mylmid/ or scanning the QR code below, or accessing DOSM eStatistics at https://newss.statistics.gov.my/newss-portalx/ep/epLogin.seam.

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

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." DOSM commemorates its 75th Diamond Jubilee in 2024.

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DEPARTMENT OF STATISTICS MALAYSIA
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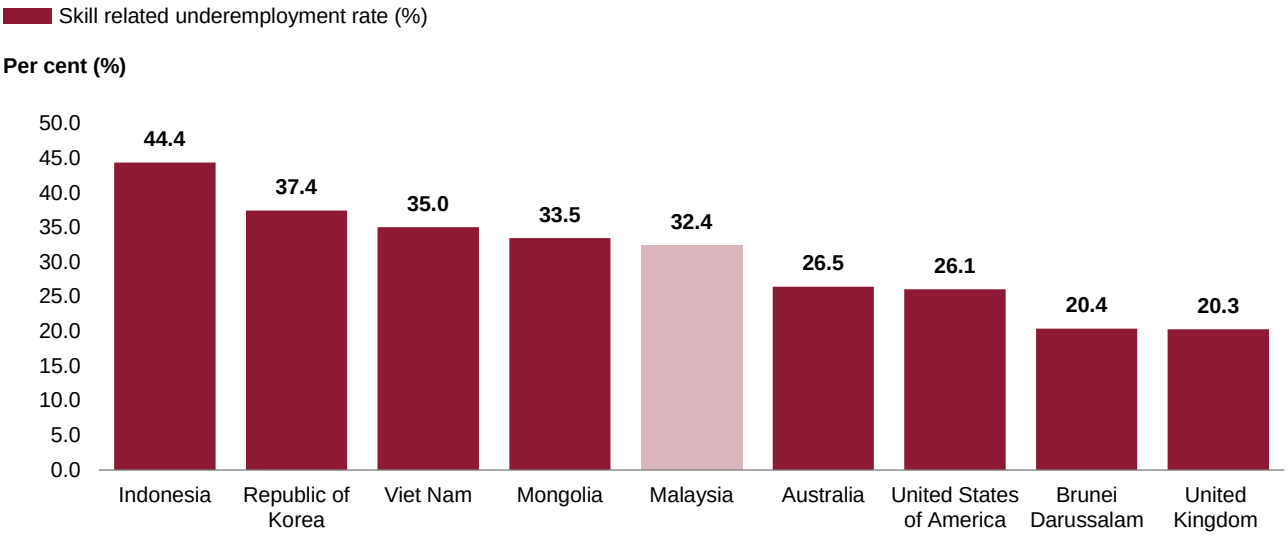
Chart 1: Graduate skill-related underemployment of selected countries, 2023



Sources: *Calculation based on ILOSTATS database, 2023*

Chart 2: Graduate median and mean of salaries and wages by states, Malaysia, 2023

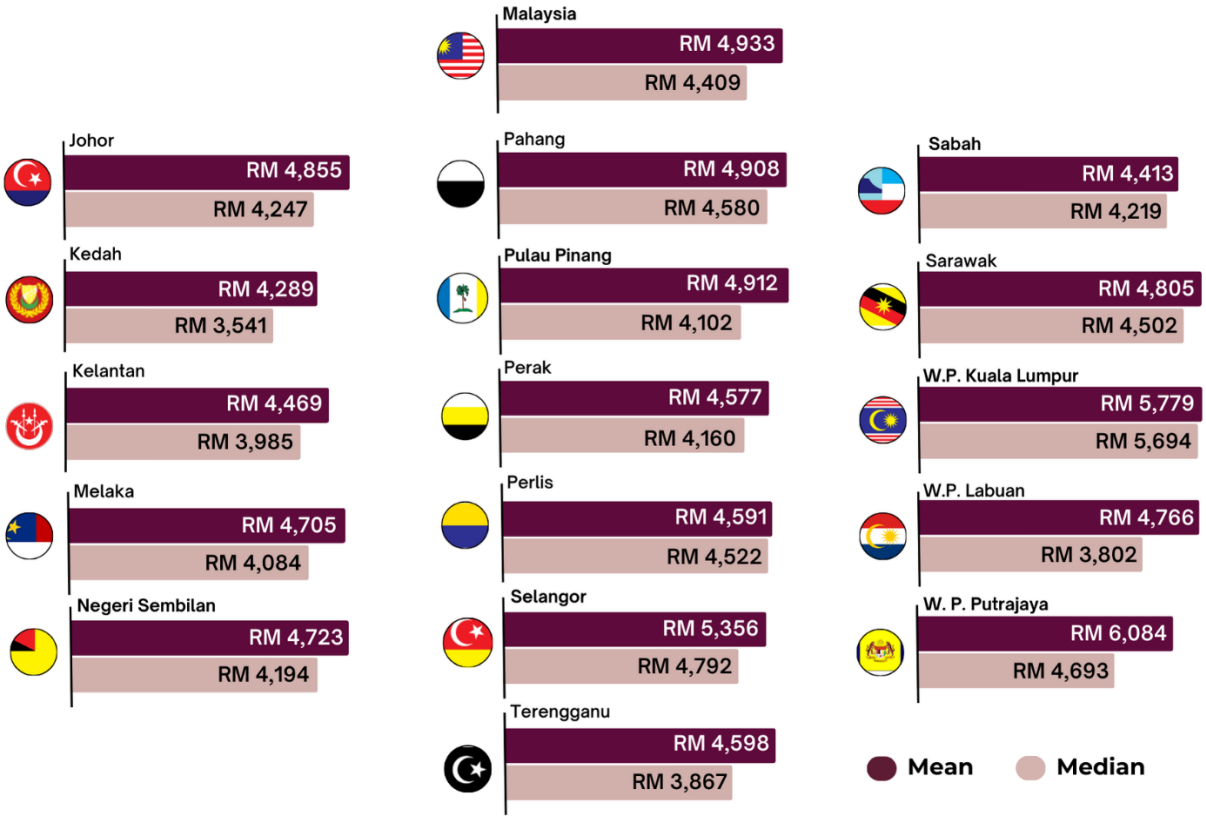


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Chart 3: Principal statistics of graduates, Malaysia, 2022 & 2023

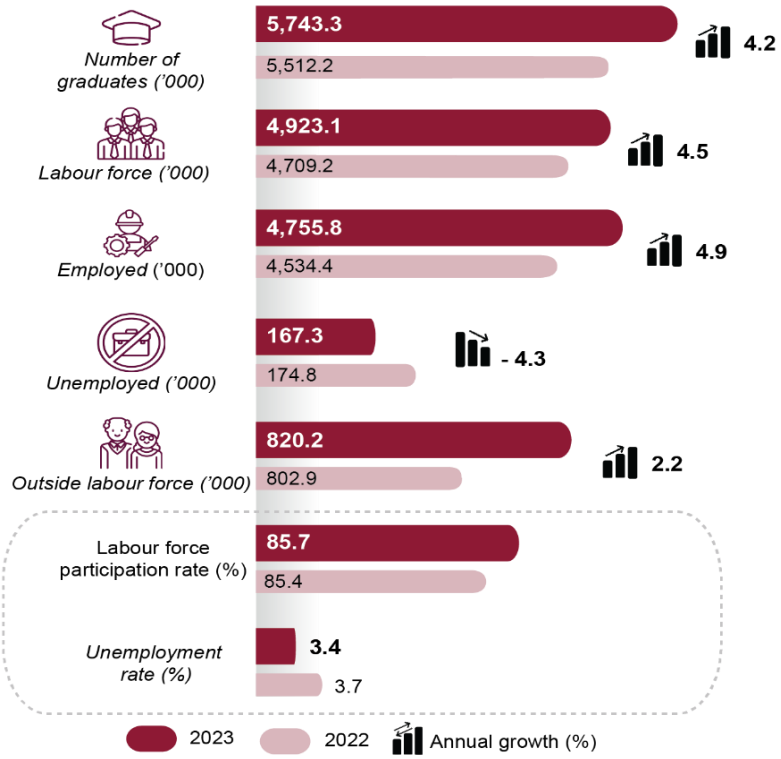

Chart 4: Principal statistics of graduates by certificates, Malaysia, 2022 & 2023

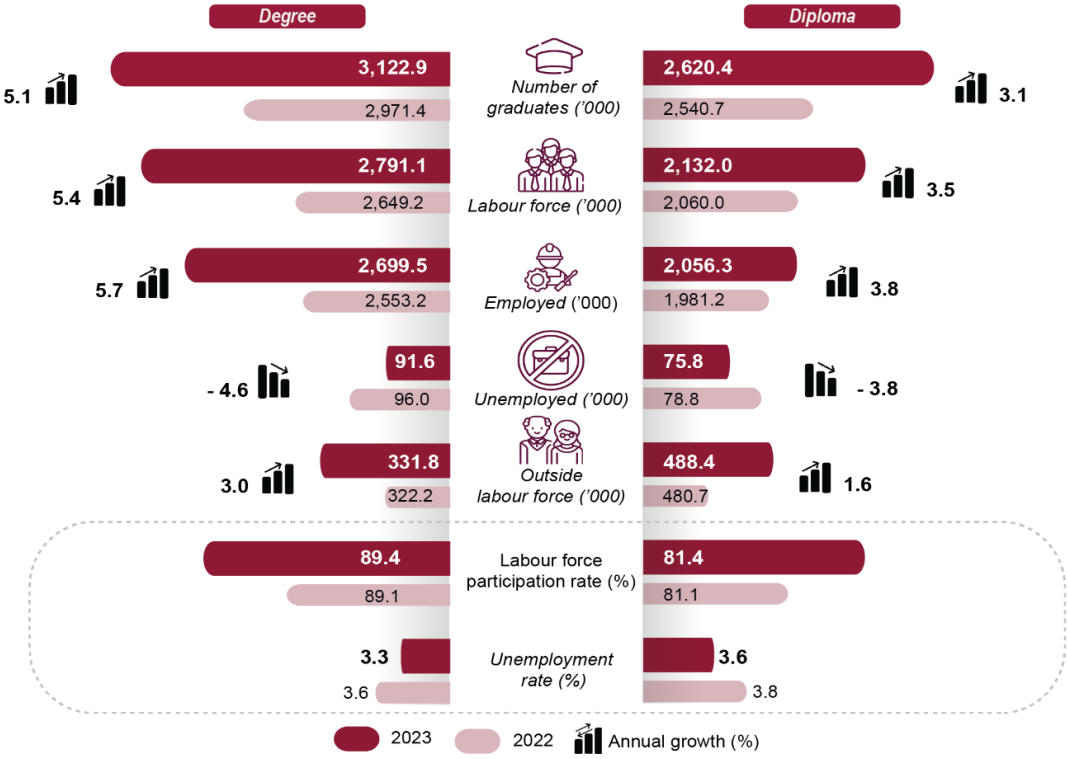

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Chart 5: Skill-related underemployment of graduates, Malaysia, 2020 – 2023

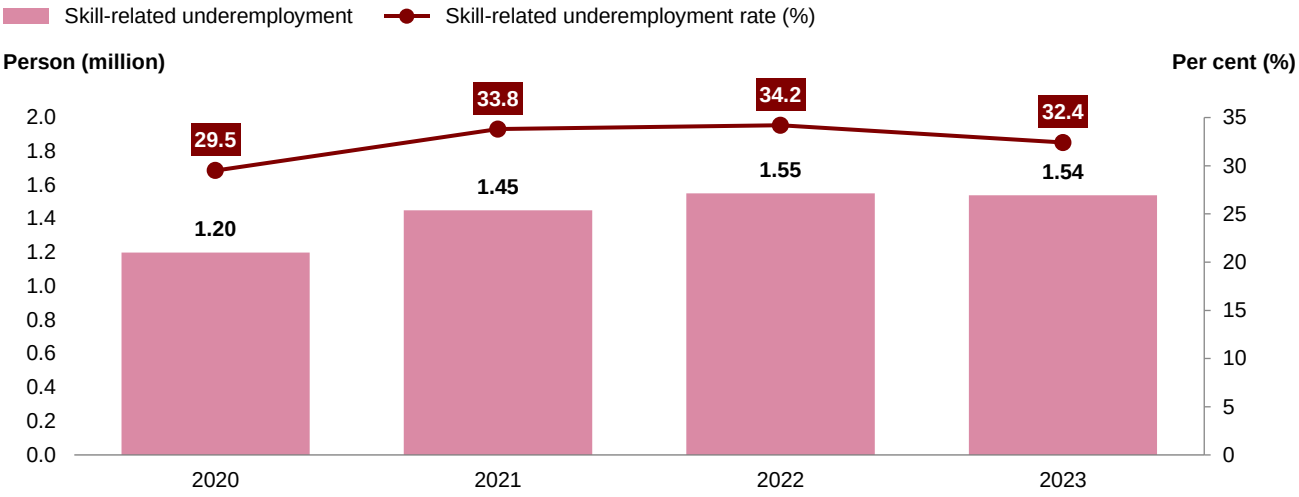

Chart 6: Time-related underemployment of graduates, Malaysia, 2020 – 2023

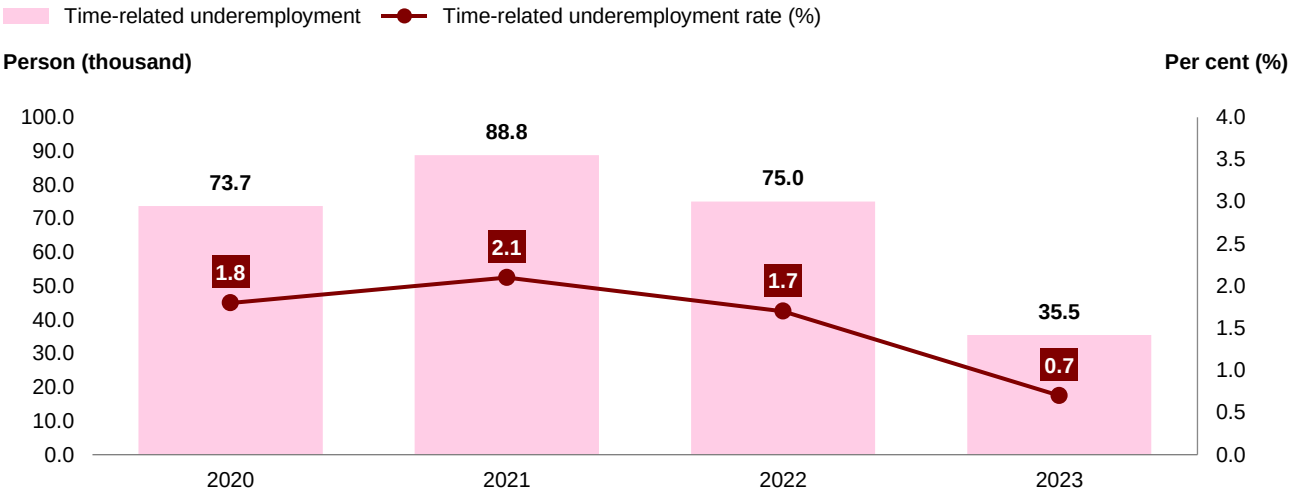
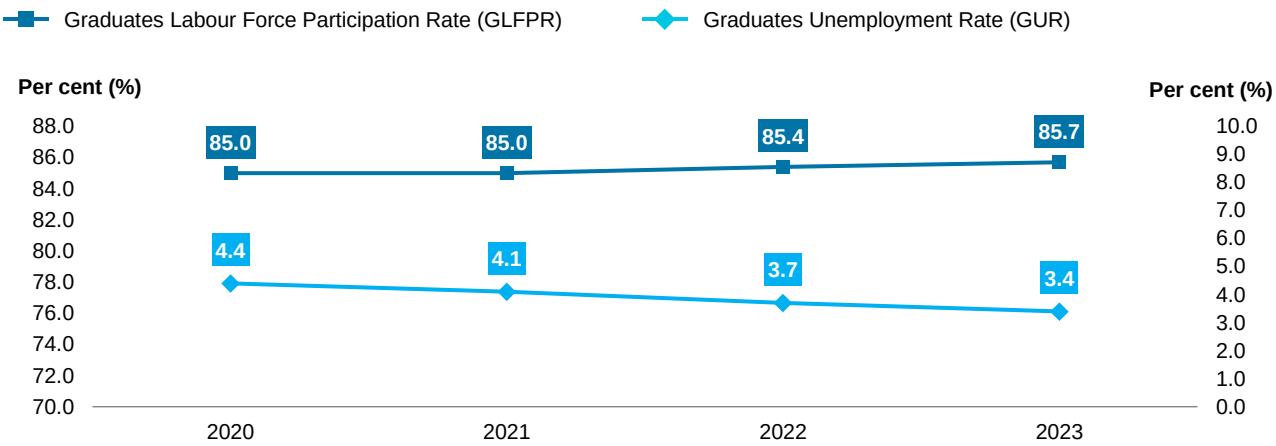
Chart 7: Graduate labour force participation rate and unemployment rate, Malaysia, 2020 – 2023