

'Over a third of tertiary-educated are in semi- and low-skilled jobs'

KUALA LUMPUR: More than a third of tertiary-educated employed persons are in semi-skilled and low-skilled jobs, according to the Statistics Department's latest report on the labour market.

Semi-skilled workers include clerical support workers; service and sales workers; skilled agricultural, forestry, livestock and fishery workers; craft and related trade workers and plant and machine operators and assemblers.

Low-skilled workers are those employed in elementary jobs.

The labour market review for the first quarter said underemployment in Malaysia increased in the January to March period, albeit at a slower rate, as skills-related underemployment and time-related underemployment both grew.

The number of people experiencing time-related underemployment, working less than 30 hours per week but willing and able to work more, rose 0.4 per cent, making up 175,000 thousand individuals for the first quarter of 2024, compared to the same quarter last year.

However, the department reported that the rate of time-related underemployment remained at 1.1 per cent during the same period.

The report also said skills-related underemployment, representing over a third of employed individuals with tertiary education, decreased by 0.3 percentage points to 37.4 per cent compared to the previous year.

"Given data availability from the Labour Force Survey, this indicator is measured using proxy variables of occupation and educational attainment."

The department said in the first quarter, the num-

ber of individuals experiencing skills-related underemployment increased 1.3 per cent, adding another 24,100 individuals.

However, the growth rate was slower compared to the same quarter in the previous year.

In total, there were 1.93 million persons in skills-related underemployment during this period.

The department reported that total employment grew 2.1 per cent in the January to March period to 16.4 million, with most states experiencing positive year-on-year growth except for Negeri Sembilan, Pahang, Kuala Lumpur, and Putrajaya.

Most employed persons were in the semi-skilled occupation category, comprising a share of 58.9 per cent of total employment.

The number of employed persons in this category increased 1.6 per cent year-on-year to 9.67 million persons in the first quarter of 2024.

Nearly half of employed persons in the semi-skilled category were concentrated in the occupation of service and sales workers (43.2 per cent), encompassing 4.18 million persons.

UniKL Business School eco-

nomist analyst Assoc Prof Dr Aimi Zulhazmi Abdul Rashid said the data indicated an increasing inclination among individuals to opt for longer part-time working hours.

"Hiring will soon change with many employers switching to part-time employees, which reduce overall company overhead through savings like smaller expenditures for employee fringe benefits, such as medical expenses."

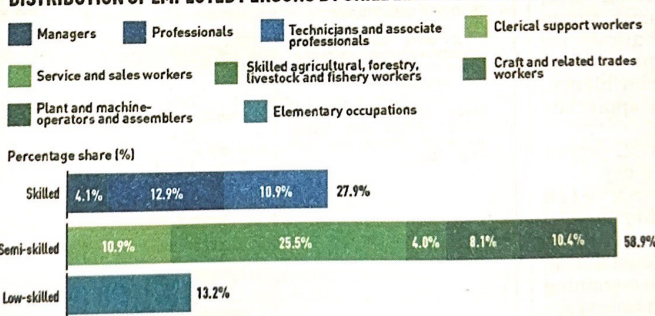
"Workers also have the flexibility to undertake a number of jobs on a part-time basis, expanding their income sources."

He said this trend has transformed the labour market in developed countries and is rapidly impacting developing countries as technology becomes increasingly prominent.

Aimi highlighted that jobs in the digital economy such as e-hailing, food delivery, drop-shipping and online services have been major contributors to substantial job creation over the past two years.

"Regulators and policymakers have to be proactive to ensure labour laws are updated in line with the changing trends," he added.

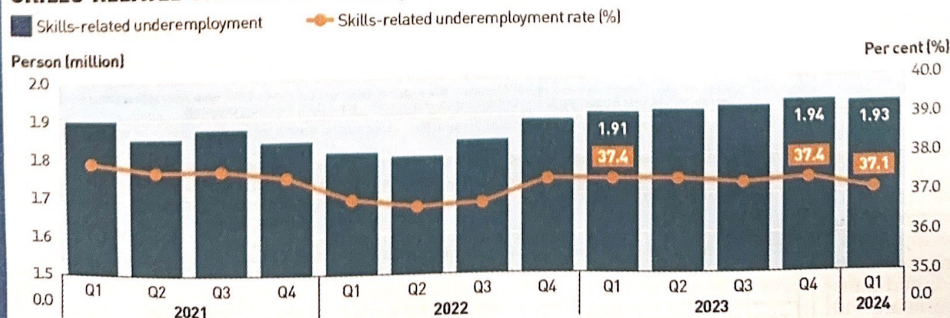
DISTRIBUTION OF EMPLOYED PERSONS BY SKILL LEVEL AND OCCUPATION, Q1 2024



Source: Labour Force Report, Malaysia, Q1 2024, DOSM

INFOGRAPHIC NST

SKILLS-RELATED UNDEREMPLOYMENT, Q1 2021 - Q1 2024



Source: Labour Force Report, Malaysia, Q1 2024, DOSM

INFOGRAPHIC NST