

MEDIA STATEMENT



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LABOUR FORCE STATISTICS, MALAYSIA, 2024

Malaysia's labour market continued its recovery in 2024 and is expected to remain stable throughout 2025, in line with sustained economic growth

PUTRAJAYA, JUNE 30, 2025 – Malaysia's labour market continued its recovery in 2024, and is expected to remain stable throughout 2025, in line with sustained economic growth, the Department of Statistics Malaysia reported today in the release on **Annual Statistics of the Labour Force, Malaysia, 2024**. The statistics reflect the labour supply situation in Malaysia, as reported through the Labour Force Survey conducted by DOSM.

According to the Department of Statistics Malaysia, the Malaysian labour market in 2024 remained to demonstrate encouraging performance, with the unemployment rate dropping to 3.2 per cent, below the pre-pandemic level of 3.3 per cent recorded in 2019. Similarly, the number of unemployed persons reduced to 534.1 thousand persons, with the decrease largely attributed to youth aged 15 to 24. Concurrently, the labour force increased by 3.3 per cent to 16.90 million persons compared to 16.37 million persons in the previous year. The labour force participation rate (LFPR) also rose to a new record high of 70.6 per cent from 70.0 per cent in 2023.

The number of employed persons continued to register an annual positive growth, increasing by 3.5 per cent to 16.37 million persons from 15.81 million persons in the prior year. Accordingly, the employment-to-population ratio, which indicates the ability of an economy to create employment, also increased by 0.7 percentage points to 68.4 per cent (2023: 67.7%). In terms of employment status, 78.5 per cent of employed persons were classified as employees' category (12.86 million persons), while the number of own-account workers category went up to 2.52 million persons, accounting for 15.4 per cent of total employment.

The majority of Malaysia's employed persons continues to be concentrated in semi-skilled occupations, representing 56.5 per cent of total employment or

approximately 9.26 million persons, followed by skilled occupations (30.2%; 4.94 million persons) and low-skilled occupations category (13.3%; 2.17 million persons). From a sectoral perspective, employment remained dominant in the Services sector which continued its upward trend and comprised 65.6 per cent of the total employment. This was followed by the Manufacturing sector at 16.3 per cent and the Agriculture sector at 9.0 per cent. Additionally, the Construction sector accounted for 8.5 per cent of total employment, while the Mining & quarrying sector recorded the smallest share at 0.5 per cent.

Observing the underemployment situation in 2024, the number of employed persons who worked less than 30 hours per week because of the nature of their work or due to insufficient work declined by 6.1 per cent to 212.5 thousand persons (2023: 226.3 thousand persons), with the rate falling to 1.3 per cent compared to 1.4 per cent in the last year. In line with this, time-related underemployment which referring to those working less than 30 hours per week to the total employed persons also decreased by 9.1 per cent to 125.1 thousand persons, with the rate dropping to 0.8 per cent (2023: 137.5 thousand persons; 0.9%). In the meantime, skill-related underemployment which referring to those with tertiary education but working in semi-skilled and low-skilled occupations, registered a lower rate at 36.1 per cent (2023: 36.3%). Nevertheless, the number of persons in this group increased by 1.3 per cent or 26.8 thousand persons, reaching a total of 2.06 million persons compared to 2.04 million in the previous year.

Turning to the unemployment situation, the number of unemployed persons declined by 3.5 per cent to 534.1 thousand persons. Out of this total, 76.5 per cent were actively unemployed or those who were available for work and were actively seeking jobs, amounting to 408.8 thousand persons, a 3.2 per cent decrease from the previous year. Based on the duration of unemployment, 62.8 per cent of the actively unemployed were jobless for less than three months, while 6.3 per cent were in long-term unemployment lasting more than a year. Meanwhile, the number of inactively unemployed or those who believed that there were no jobs available, fell by 4.4 per cent to 125.3 thousand persons (2023: 131.1 thousand persons).

By age group, the youth unemployment rate for aged 15 to 24 years edged down by 0.7 percentage points to 10.3 per cent, with the number of unemployed in this group declining by 4.1 per cent to 284.7 thousand persons (2023: 297.0 thousand persons). Similarly, the unemployment rate among adults aged 25 to 64 years dropped by 0.1 percentage points to 1.8 per cent (2023: 1.9%), while the number of unemployed decreased by 2.8 per cent to 249.4 thousand persons (2023: 256.5 thousand persons).

At the state level, W.P. Putrajaya recorded the lowest unemployment rate at 1.1 per cent, followed by Melaka (1.6%), Pulau Pinang and Pahang, each recorded 2.0 per cent. Meanwhile, the highest LFPR was also registered in W.P. Putrajaya (78.7%), followed by Selangor (77.9%), W.P. Kuala Lumpur (75.4%), and Pulau Pinang (72.0%). In terms of female participation, five states exceeded the national

level of 56.5 per cent, namely W.P. Putrajaya (79.4%), Selangor (70.3%), W.P. Kuala Lumpur (66.6%), Melaka (58.4%) and Pulau Pinang (57.6%).

Regarding skill-related underemployment, six states recorded rates lower than the national rate of 36.1 per cent. W.P. Kuala Lumpur recorded the lowest rate at 18.6 per cent, followed by Pulau Pinang (26.5%), Negeri Sembilan (31.3%), W.P. Putrajaya (32.1%), Johor (33.4%) and Perak (34.7%). Conversely, Kelantan registered the highest rate at 52.3 per cent, with Terengganu and Pahang trailing at 45.8 per cent and 44.5 per cent, respectively.

In the meantime, the number of persons outside the labour force slightly increased to 7.02 million persons, which majority remained inactive due to housework/family responsibilities with a share of 43.1 per cent, followed by those in the schooling/training category, comprising 41.3 per cent.

In conclusion, Malaysia's economy in 2024 has expanded more rapidly, driven by strong domestic demand, resilient household spending and a rebound in exports as it was fuelled by ongoing investment activities particularly in the Services and Manufacturing sectors. This positive momentum supported stable labour market conditions, reflected in higher employment and a lower unemployment rate. Moderate economic growth is anticipated in 2025, supported by Malaysia's role as ASEAN Chairman and initiatives such as the ASEAN Villages Network, which aim to boost rural development and enhance workforce skills. Thus, this outlook reflects a contribution to an optimistic country's labour market condition, despite the global economic uncertainties.

ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.

Malaysia has, for the first time, successfully recorded the top position globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 198 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day will be celebrated on 20th October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.

OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

Chart 1: Labour force and LFPR, Malaysia, 1982 - 2024

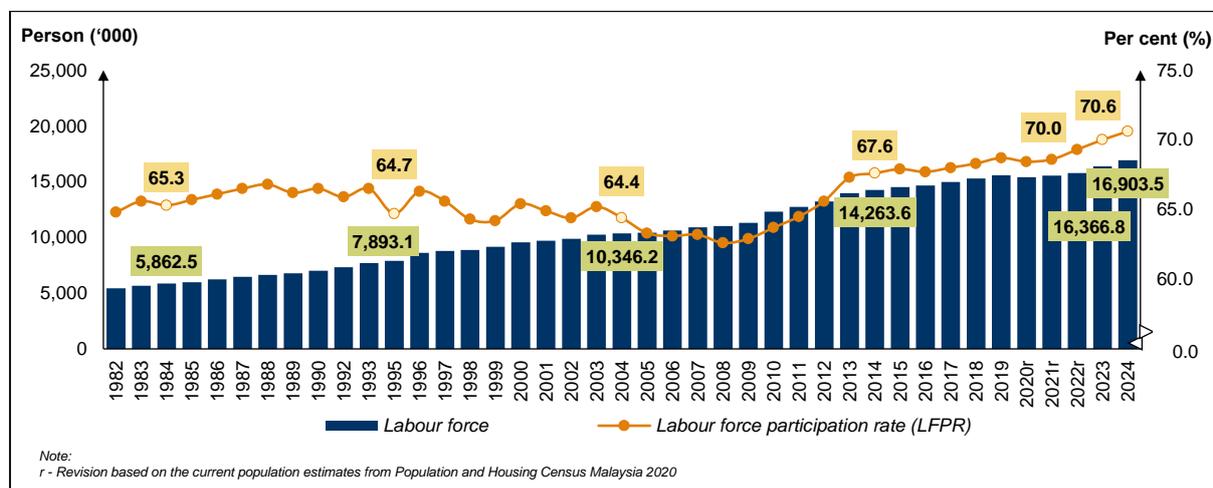


Chart 2: Employed persons and employment-to-population ratio, Malaysia, 1982 - 2024

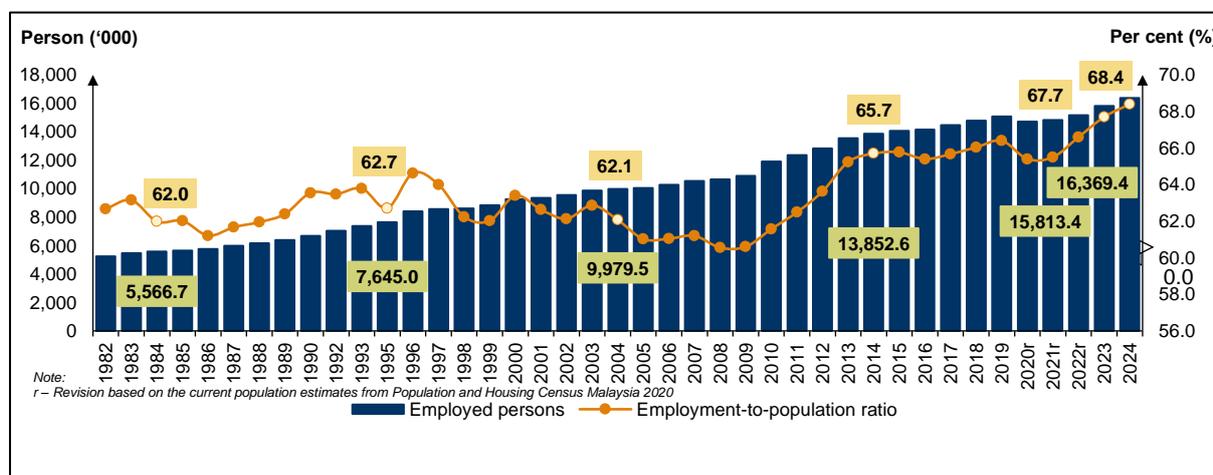
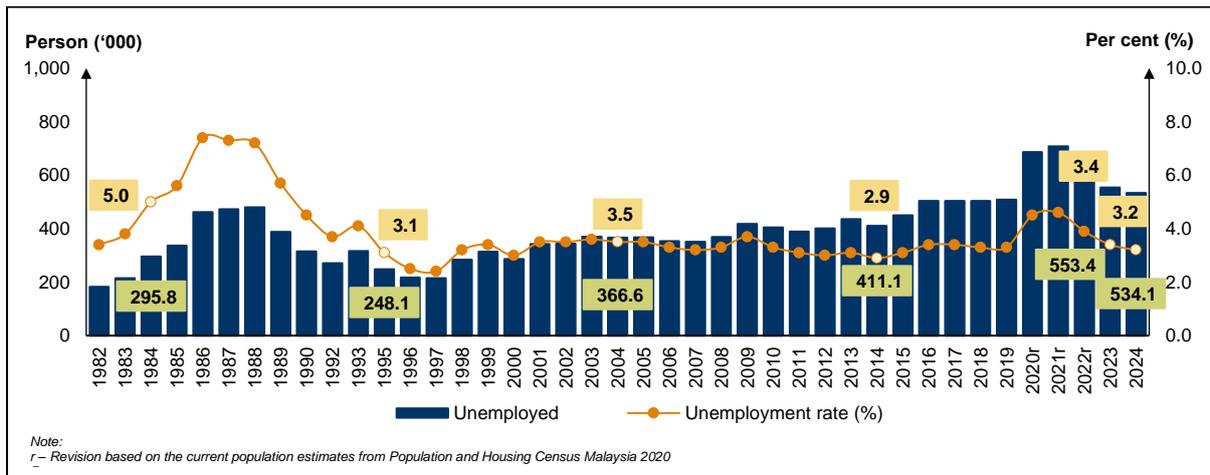


Chart 3: Unemployed persons and unemployment rate, Malaysia, 1982 - 2024



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THE OFFICE OF CHIEF STATISTICIAN MALAYSIA

DEPARTMENT OF STATISTICS MALAYSIA

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