MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

LABOUR FORCE STATISTICS, MALAYSIA, JUNE 2026 AND SECOND QUARTER 2026

The unemployment rate in June 2026 stood at 3.0 per cent, with 517.8 thousand unemployed

PUTRAJAYA, 11TH AUGUST 2026 - June's unemployment rate stood at 3.0 per cent, with 517.8 thousand unemployed, according to the Department of Statistics Malaysia (DOSM). The figures were detailed in the **Labour Force Statistics**, **June 2026** and **Second Quarter 2026** release. The report provides insights on the Malaysia's labour supply, based on data from the Labour Force Survey conducted by DOSM.

In today's statement, DOSM reported that Malaysia's labour market in June 2026 continued to demonstrate positive momentum, supported by the country's economic resilience. The continued expansion of employment and the stable unemployment rate reflected this encouraging labour market performance. Accordingly, the labour force recorded a marginal month-on-month increase of 0.04 per cent to 17.34 million persons in June 2026 (May 2026: 17.34 million persons). Meanwhile, the labour force participation rate (LFPR) remained at 70.9 per cent, unchanged from the previous month.

The number of employed persons in June 2026 slightly increased by 0.01 per cent to register 16.83 million persons (May 2026: 16.82 million persons). The number of unemployed persons also increased from 513.4 thousand persons to 517.8 thousand, rising by 0.9 per cent month-on-month. The unemployment rate for June stood at 3.0 per cent, as in the previous month.

The employees' category comprised 75.0 per cent of the total employed persons, increasing slightly by 0.02 per cent, reaching 12.61 million persons in June 2026 (May 2026: 12.61 million persons). On the same note, the number of own-account workers rose marginally by 0.04 per cent to register 3.15 million persons (May 2026: 3.15 million persons).

In terms of economic activities, the Services sector remained the primary contributor to total employment during the month, particularly in Transportation & storage, Accommodation and food & beverage service activities, and Wholesale & retail trade activities. Employment in the Manufacturing and Construction sectors also recorded positive growth, while the Agriculture and Mining & quarrying sectors decreased.

The unemployment statistics in June 2026 showed that actively unemployed, or those who were available for work and actively seeking jobs, consist of 79.4 per cent of the total unemployed persons. This group rose by 0.7 per cent to 410.9 thousand persons, from 408.0 thousand persons in May 2026. By duration for the actively unemployed, 63.6 per cent had been unemployed for less than three months, while 5.3 per cent was in long-term unemployment of more than one year. Likewise, the number of inactively unemployed, or those who believed that no jobs were available, edged up by 1.4 per cent to 106.9 thousand persons from 105.5 thousand persons in May 2026.

In June 2026, the unemployment rate among youths aged 15 to 24 years stood at 10.2 per cent, with 292.2 thousand unemployed youths recorded (May 2026: 291.6 thousand persons). Similarly, the unemployment rate for those aged 15 to 30 years was unchanged at 6.3 per cent, registering 400.8 thousand unemployed youths (May 2026: 396.0 thousand persons).

The number of persons outside the labour force during the month increased by 0.1 per cent to 7.11 million persons (May 2026: 7.10 million persons). The major composition of the outside labour force was housework/family responsibilities with a share of 43.3 per cent, followed by schooling/training at 40.3 per cent.

Malaysia's labour market performance for the second quarter of 2026 showed that the labour force continued to expand, increasing by 0.3 per cent to 17.28 million persons (Q1 2026: 17.23 million persons). The LFPR remained at 70.9 per cent, similar to the previous quarter. By sex, the male LFPR also remained unchanged at 83.3 per cent, while the female LFPR increased to 57.0 per cent (Q1 2026: 83.3%; 56.8%). In line with this growth, the number of employed persons also rose by 0.2 per cent to 16.77 million persons, compared to 16.73 million persons in the first quarter of 2026. The number of unemployed persons increased by 0.6 per cent to 509.7 thousand persons, resulting in an addition of 0.1 percentage points in the unemployment rate to 3.0 per cent (Q1 2026: 506.5 thousand persons; 2.9%).

The number of persons working less than 30 hours per week dropped by 0.7 per cent to 230.0 thousand persons in the second quarter of 2026 (Q1 2026: 231.6 thousand persons). Likewise, the number of persons working less than 30 hours per week but willing and able to work additional hours, or classified as time-related underemployment, decreased by 1.2 per cent to record 121.9 thousand persons, registering a time-related underemployment rate of 0.7 per cent (Q1 2026: 123.3 thousand persons; 0.7%). Meanwhile, skill-related underemployment, which refers to individuals with tertiary education but working in semi-skilled and low-skilled occupations, edged up by 0.7 per cent to 1.95 million persons in the second quarter of 2026, while the skill-related underemployment rate remained at 35.2 per cent (Q1 2026: 1.93 million persons; 35.2%).

At the state level, Wilayah Persekutuan Putrajaya continued to record the lowest unemployment rate at 1.3 per cent in the second quarter of 2026, followed by Melaka and Pahang both at 2.0 per cent and Selangor that representing an unemployment rate of 2.1 per cent. Concurrently, five states recorded the LFPR above the national rate, with Wilayah Persekutuan Putrajaya registered the highest rate at 79.4 per cent, followed by Selangor (77.9%) and Wilayah Persekutuan Kuala Lumpur (76.0%).

Overall, Malaysia's economic and labour market outlook from July 2026 onwards is expected to remain positive, supported by relatively stable domestic economic conditions, continued investment activity and a labour market that has demonstrated resilience. Nevertheless, the prolonged uncertainty surrounding global energy markets, geopolitical developments and external trade conditions could weigh on business costs and hiring decisions if these pressures persist. The ability of the economy to maintain growth while managing these risks will depend increasingly on investment quality, productivity improvements, energy security and the adaptability of the workforce. The current scenario showed strengthening the link between investment, skills development and quality employment will be important in sustaining labour market resilience and supporting more inclusive economic growth in the period ahead.

The Department of Statistics Malaysia (DOSM) is conducting the **Economic Census 2026 (BE2026)**, with themed **"*Data Nadi Ekonomi Rakyat*"**. The sixth Economic Census, will be carried out from **5th January to 31st October 2026**. BE2026 aims to collect comprehensive and structured data from all registered and unregistered business establishments in Malaysia to assess the nation's economic performance, structure and characteristics in an evidence-based manner.

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: Employed persons, Malaysia, January - June 2026

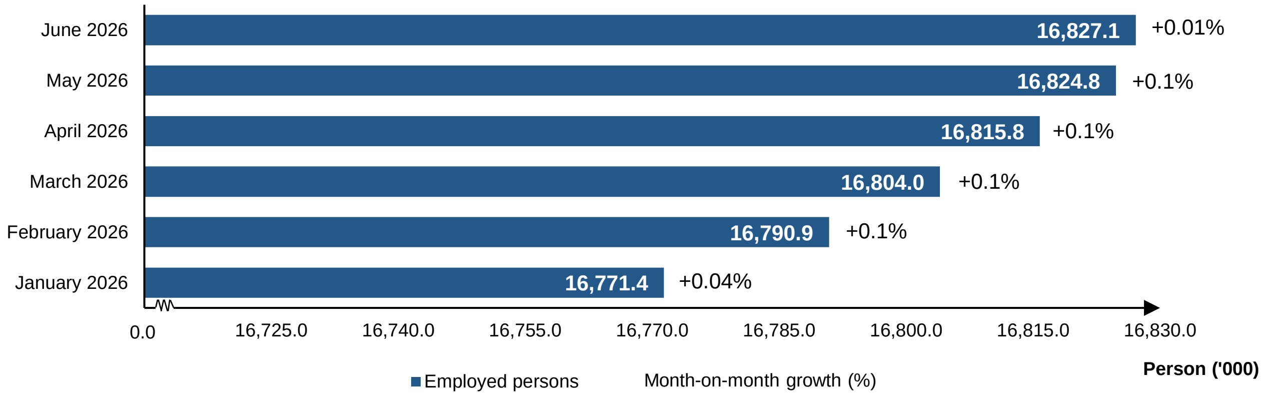


Chart 2: Unemployment, Malaysia, January - June 2026

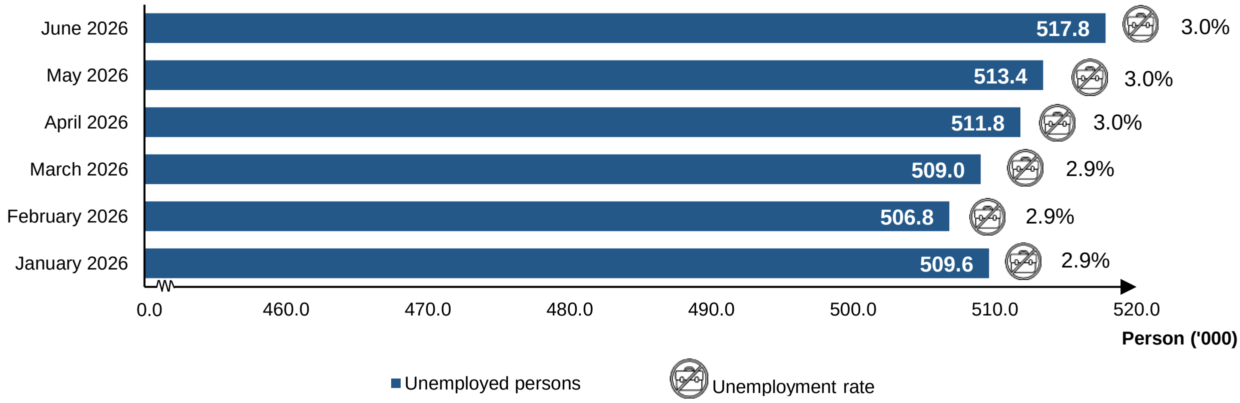


Chart 3: Outside labour force, Malaysia, January - June 2026

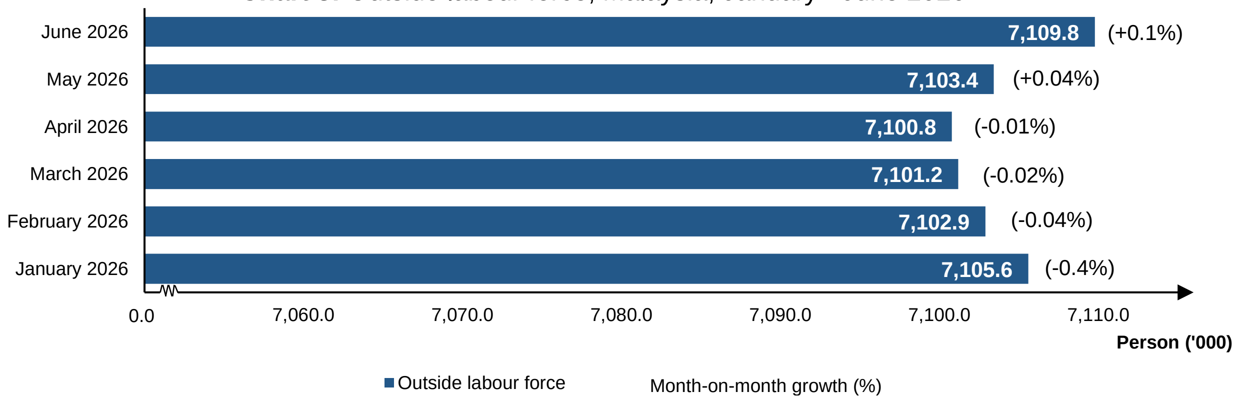


Chart 4: Unemployment, Malaysia, Q1 2024 - Q2 2026

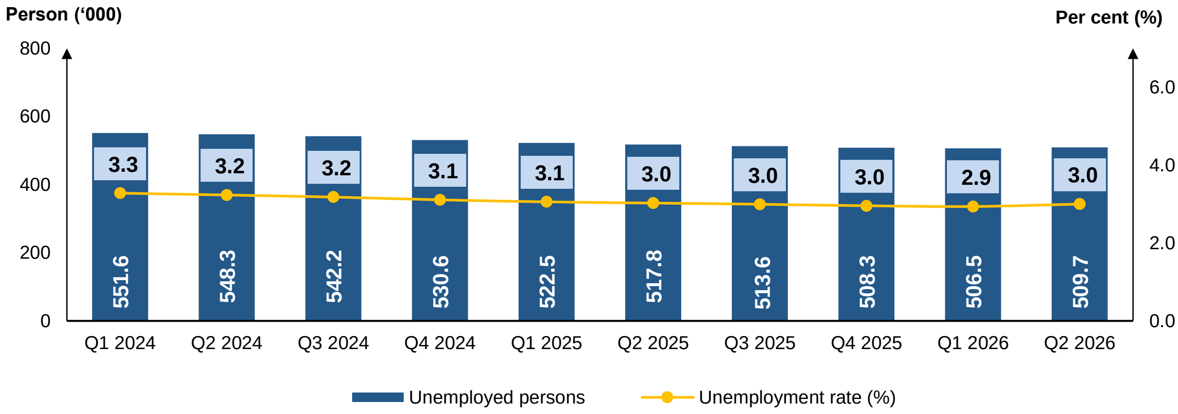
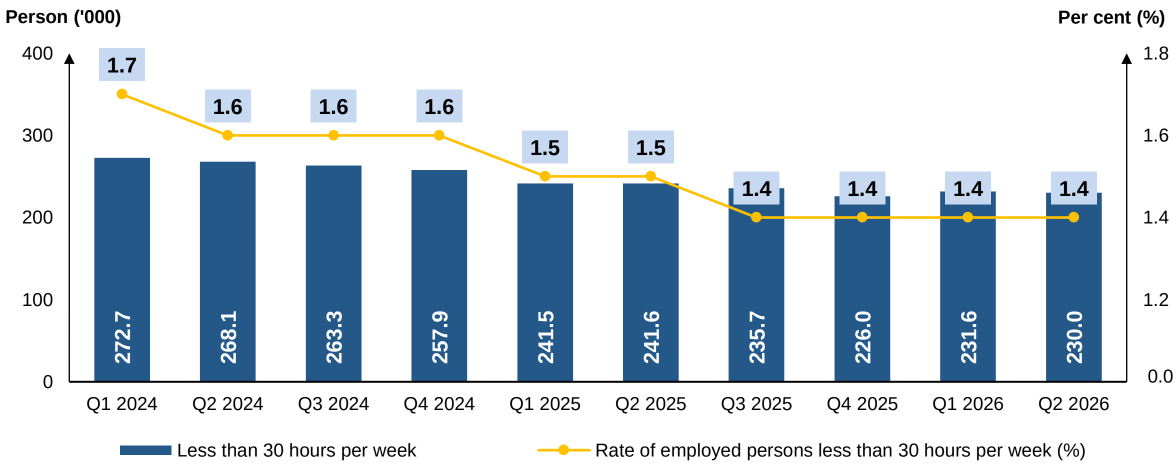
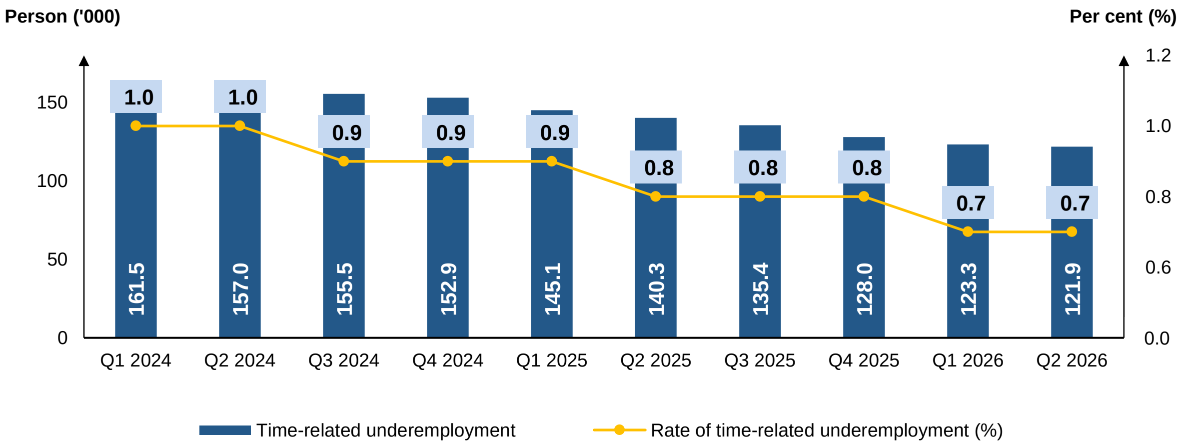


Chart 5: Employed persons working less than 30 hours per week, Q1 2024 - Q2 2026



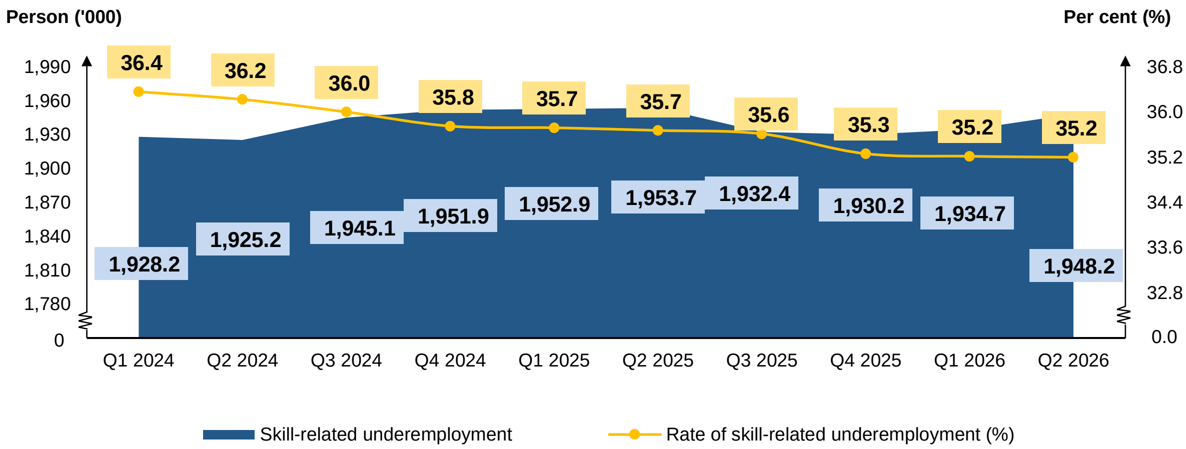
$$\text{Rate of employed persons less than 30 hours per week} = \frac{\text{Number of employed persons less than 30 hours per week}}{\text{Number of employed persons}} \text{ X } 100$$

Chart 6: Time-related underemployment, Q1 2024 - Q2 2026



$$\text{Rate of time-related underemployment} = \frac{\text{Number of time-related underemployment}}{\text{Number of employed persons}} \text{ X } 100$$

Chart 7: Skill-related underemployment, Q1 2024 - Q2 2026



$$\text{Rate of skill-related underemployment} = \frac{\text{Number of skill-related underemployment}}{\text{Number of employed persons with tertiary education}} \times 100$$

Notes:

1. The Labour Force Survey statistics for January 2026 onwards are estimated using projection data based on the latest current population estimates.
2. Starting First Quarter 2024 onwards, the Quarterly Principal Statistics of the Labour Force are estimated using projection data based on the latest current population estimates.

Released by:

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