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MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

LABOUR MARKET REVIEW (LMR), FOURTH QUARTER 2023



Favourable labour market situation in the fourth quarter of 2023, as the unemployment rate back to the pre-pandemic level at 3.3 per cent

Key Reviews

- In Q4 2023, labour supply continued to expand, with the number of labour force increasing by 2.2 per cent year-on-year to record 16.91 million persons. Thus, the labour force participation rate edged up 0.6 percentage points to 70.1 per cent. The number of employed persons continued to increase, albeit at a slightly slower rate of 2.5 per cent to 16.35 million persons during the quarter, with the employment-to-population ratio went up to 67.8 per cent. In the meantime, the number of unemployed decreased by 5.9 per cent to 565.0 thousand persons, registering the unemployment rate at 3.3 per cent.*
- The number of employed persons working less than 30 hours per week posted an addition of 6.6 per cent from the same quarter of the preceding year to 286.1 thousand persons in Q4 2023. Accordingly, time-related underemployment recorded a rate of 1.1 per cent. Meanwhile, skill-related underemployment which comprised more than one-third of employed persons with tertiary education remained at 37.4 per cent as a year ago.*
- Looking at labour demand in the economic sector, the number of jobs grew by 2.1 per cent year-on-year to record a total of 8.94 million jobs. Filled jobs comprised 97.9 per cent, increased by 2.1 per cent over the same quarter of the preceding year to 8.74 million. However, job openings in the economy which was indicated by the number of vacancies decreased by 1.1 per cent to 190.2 thousand vacancies in Q4 2023. Besides, there were 31.1 thousand jobs created in the private sector during the quarter.*
- As Malaysia's economy grew by 3.0 per cent, labour productivity as measured by value added per employment posted an increase of 0.5 per cent, registering the level of RM25,080 per person in Q4 2023. During the same period, total hours worked surged 2.3 per cent to 9.42 billion hours. Thus, labour productivity per hour worked grew marginally by 0.7 per cent*

to bring the level of productivity at RM43.5 per hour.

- *Malaysia's labour market continued to improve in Q4 2023 despite a challenging environment. Moving into 2024, Malaysia's economy is foreseen to improve driven by resilient domestic expenditure and recovery in external demand. Under those circumstances, the labour market is expected to remain stable in the upcoming quarter, corresponding to the current economic developments and technological advances resulting from high-value investments supported by ongoing government initiatives. With a proactive approach to addressing challenges and capitalising on opportunities, Malaysia is well-positioned to sustain its momentum and foster inclusive growth for all segments of society. Nevertheless, the outlook is subject to potential global and domestic challenges and changing market trends deriving from unprecedented situations that may arise in the future.*

The full publication of Labour Market Review (LMR), Fourth Quarter 2024 can be downloaded through [eStatistik Portal](#).

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