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MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

LABOUR FORCE STATISTICS, MALAYSIA, DECEMBER AND FOURTH QUARTER 2025

The unemployment rate fell to 2.9 per cent, while the female labour force participation rate hit a record high of 56.6 per cent in the fourth quarter of 2025

PUTRAJAYA, FEBRUARY 11, 2026 – The unemployment rate fell to 2.9 per cent, while the female labour force participation rate hit a record high of 56.6 per cent in the fourth quarter of 2025 according to the Department of Statistics Malaysia (DOSM). The figures were detailed in the **Statistics of the Labour Force, Malaysia, December and Fourth Quarter 2025** release. The report provides insights on the Malaysia's labour supply, based on data from the Labour Force Survey conducted by DOSM.

Elaborating on the overall performance in the fourth quarter of 2025, Malaysia's labour force showed steady growth, increasing by 0.8 per cent to 17.62 million persons. In line with this improvement, the number of employed persons edged up by 0.8 per cent to 17.10 million persons (Q3 2025: 16.97 million persons). In the meantime, the number of unemployed persons decreased slightly by 0.4 per cent to 517.9 thousand persons resulting in a 0.1 percentage points decreased in the unemployment rate to 2.9 per cent (Q3 2025: 3.0%). At the same time, the labour force participation rate (LFPR) was unchanged at 70.9 per cent, with the male LFPR remained at 83.3 per cent, while the female LFPR registered the highest on record at 56.6 per cent.

Furthermore, the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin also said, "Malaysia's labour market in December 2025 continued to demonstrate positive growth, underpinned by sustained economic improvements. In line with this situation, the number of employed persons posted a marginal increase, while unemployment further declined. Therefore, the labour force was on an uptrend, increasing by 0.2 per cent to 17.65 million persons (November 2025: 17.61 million persons). On the same note, the LFPR during the month was unchanged at 70.9 per cent as in the previous month."

The total number of employed persons continued to increase in December 2025, with a rise of 0.2 per cent to 17.13 million persons from 17.09 million persons in November 2025. In the meantime, the number of unemployed persons edged down by 0.1 per cent to 517.7 thousand persons (November 2025: 518.4 thousand persons). The unemployment rate in December remained at 2.9 per cent, the same as in the last month.

The Chief Statistician Malaysia also added that 74.7 per cent of the total employed persons were in the employees' category. This category went up by 0.1 per cent to 12.80 million persons in December 2025 (November 2025: 12.78 million persons). Similarly, the number of own-account workers also increased, with an addition of 0.4 per cent to 3.27 million persons, compared to 3.26 million persons a month earlier.

The number of employed persons in the Services sector continued to record steady growth, particularly in Wholesale & retail trade, followed by Accommodation and food & beverage service activities, as well as Information & communication activities. The number of employments also increased in the Agriculture, Manufacturing and Construction sectors, while the Mining & quarrying sectors experienced a slight decline.

Further insight into the unemployment scenario for December 2025, the Chief Statistician Malaysia stated that the actively unemployed, or those who were available for work and were actively seeking jobs, accounted for 79.7 per cent of the total unemployed persons. This group registered a decrease of 0.3 per cent, with the number decreasing to 412.4 thousand persons (November 2025: 413.5 thousand persons). By duration of the unemployment for the actively unemployed, 64.6 per cent were those who had been unemployed for less than three months, while those who were in long-term unemployment for more than a year encompassed 4.9 per cent. Meanwhile, those who believed that there were no jobs available, or the inactively unemployed, rising by 0.3 per cent to 105.2 thousand persons as compared to the prior month (November 2025: 104.9 thousand persons).

In December 2025, the unemployment rate among youths aged 15 to 24 years held steady at 10.1 per cent, recording 298.7 thousand unemployed youths (November 2025: 297.9 thousand persons). In the meantime, the unemployment rate for youths aged 15 to 30 years was recorded at 6.1 per cent, with 396.9 unemployed youths as against 398.0 thousand persons in the preceding month.

The number of persons outside the labour force registered a slight uptick of 0.1 per cent to 7.23 million persons during the month compared to 7.22 million persons in November 2025. Most of them were engaged in housework/ family responsibilities, accounting for 43.7 per cent, while schooling/ training made up the second largest group at 40.9 per cent.

According to the Chief Statistician, the number of persons working less than 30 hours per week decreased by 0.6 per cent to record 229.5 thousand persons during the

fourth quarter of 2025 (Q3 2025: 230.9 thousand persons). Correspondingly, 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, declined by 2.6 per cent to 129.8 thousand persons, resulting in a time-related underemployment rate of 0.8 per cent (Q3 2025: 133.3 thousand persons; 0.8%). Meanwhile, skill-related underemployment, defined as individuals with tertiary education but working in semi-skilled and low-skilled occupations, edged down by 0.3 per cent to 1.96 million persons, with the skill-related underemployment rate of 35.3 per cent (Q3 2025: 1.96 million persons; 35.5%).

A comparison across states indicated that W.P. Putrajaya and Pahang recorded the lowest unemployment rate at 1.6 per cent in the fourth quarter of 2025, followed by Selangor at 1.8 per cent, while Johor and Melaka both recorded 2.5 per cent. Meanwhile, nine states registered increases in the LFPR, with Selangor posting the highest LFPR at 78.5 per cent, followed by W.P. Putrajaya (78.2%) and W.P. Kuala Lumpur (75.5%). In the meantime, three states recorded female LFPR exceeding the target value of female LFPR for 2025 under the 12MP, which were W.P. Putrajaya at 77.5 per cent, followed by Selangor (69.0%) and W.P. Kuala Lumpur (66.0%). Meanwhile, three states with the lowest female LFPR were Terengganu (42.7%), Kelantan (45.8%), and Pahang (47.4%).

Concluding the statement, the country's labour market in the upcoming months is projected to transition into 2026 with strengthened foundations driven by a combination of fiscal, tourism and employment initiatives. The Budget 2026 framework under Ekonomi MADANI also emphasises labour market reforms, employability enhancement, wage growth support, and partnerships with industry for skills development, aiming to broaden access to higher-income opportunities and support sustainable wage progression for Malaysian workers. These measures are expected to foster a resilient workforce and help boost participation in both formal and emerging economic sectors.

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.

Malaysia has, for the first time, successfully secured the **top position** globally in the biennial **Open Data Inventory (ODIN) 2024/25** report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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.

MyLabourHub is a comprehensive platform that integrates institutions, data and technology to deliver relevant, accurate and accessible labour market information. Access the labour market data for Malaysia at https://mylabourhub.dosm.gov.my.

Chart 1: Employed persons, Malaysia, January 2024 - December 2025

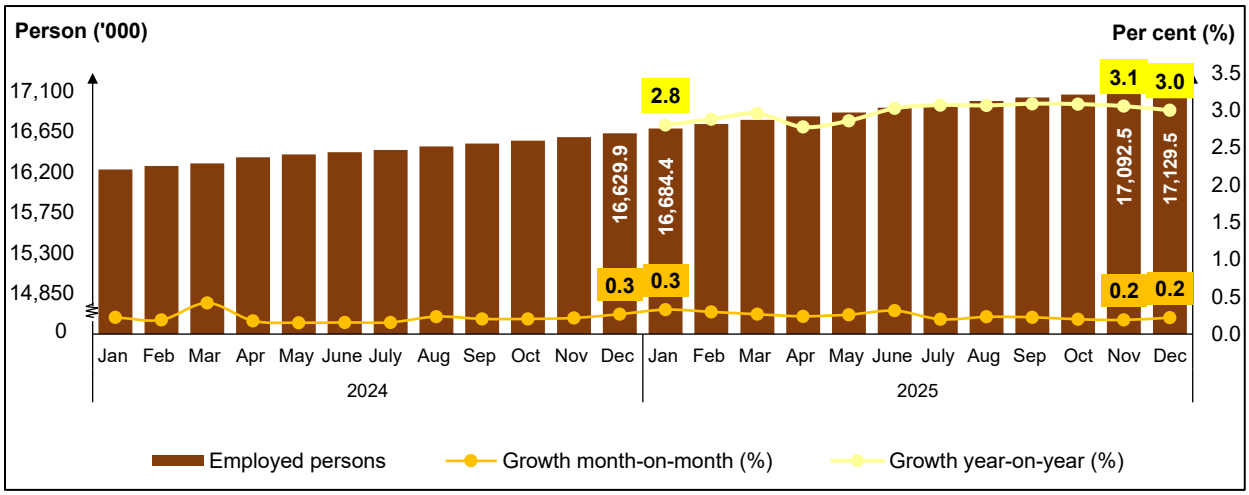


Chart 2: Unemployment, Malaysia, January 2024 - December 2025

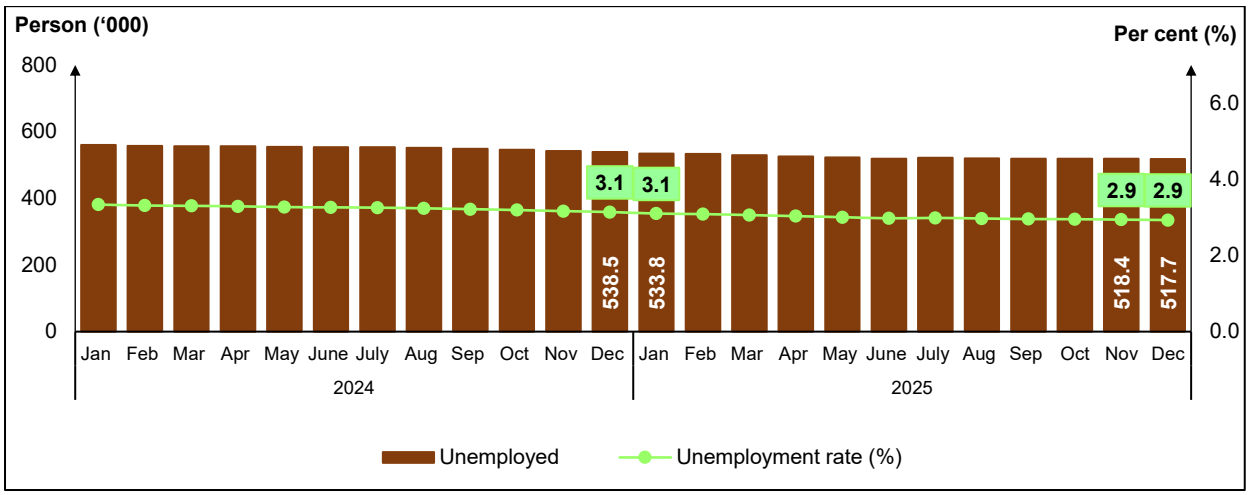


Chart 3: Outside labour force, Malaysia, January 2024 - December 2025

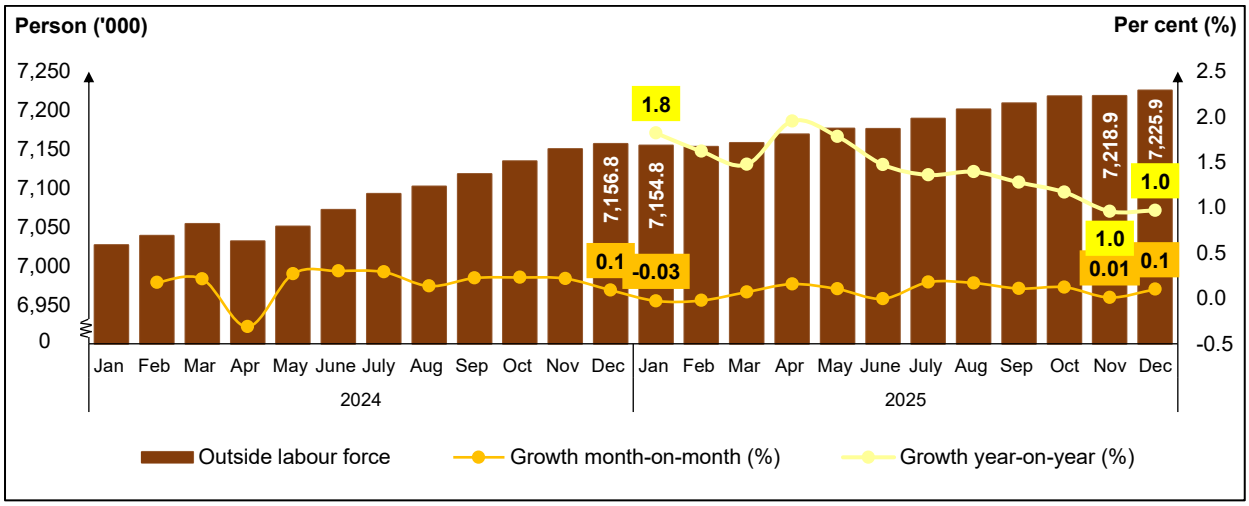


Chart 4: Unemployment, Malaysia, Q1 2024 - Q4 2025

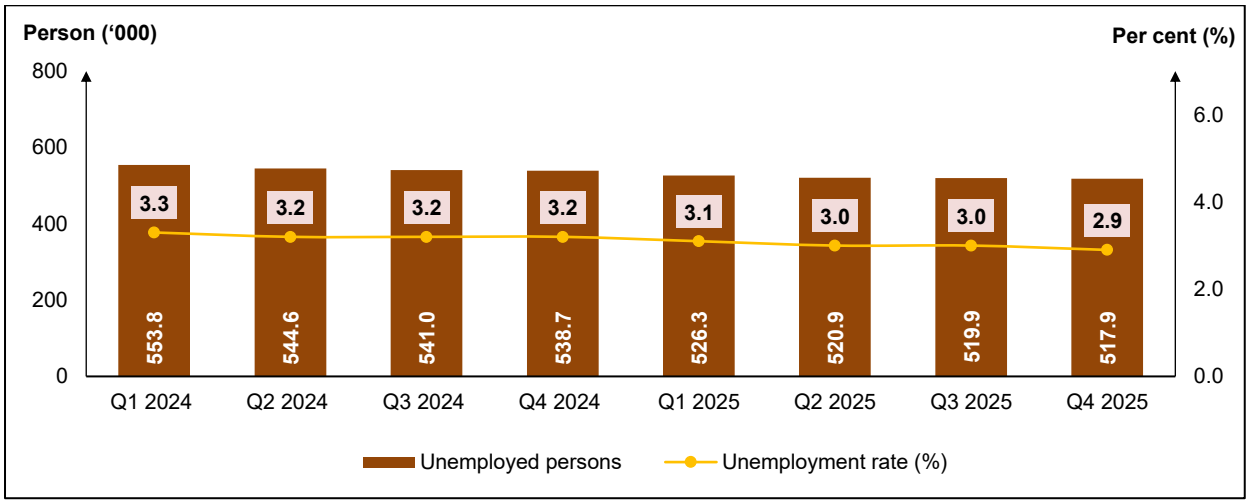
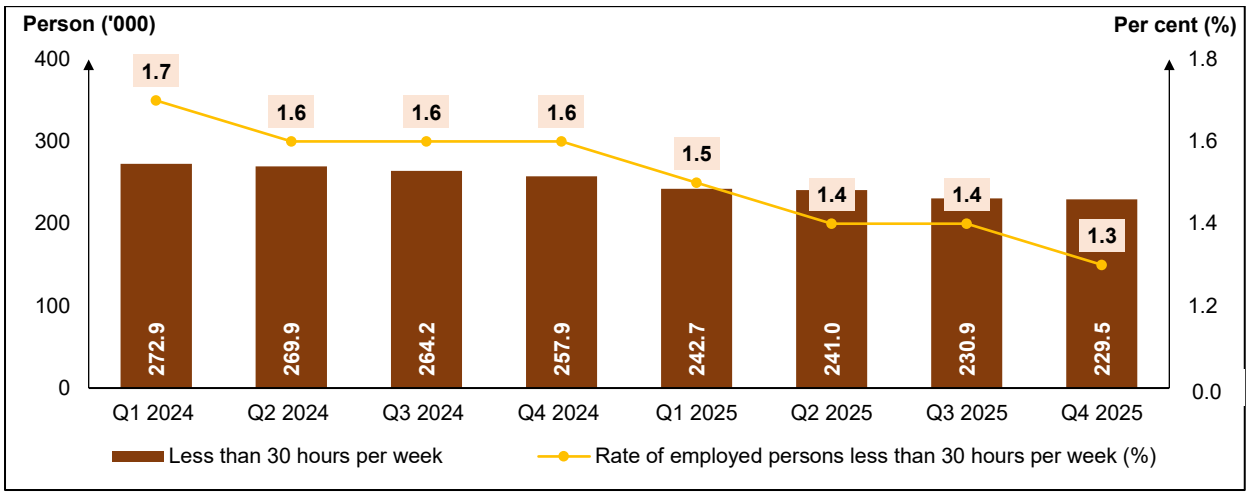
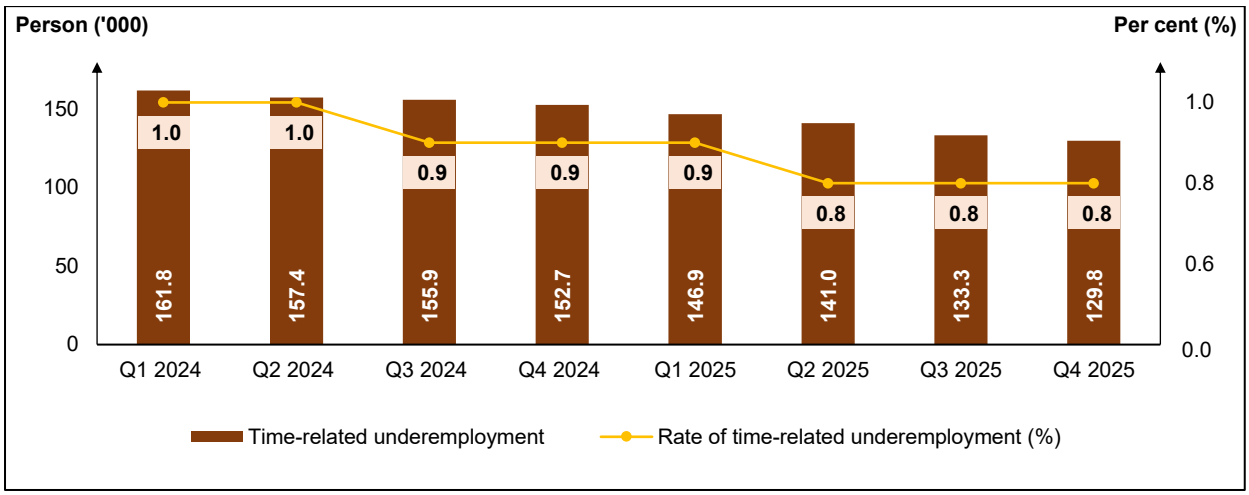


Chart 5: Employed persons working less than 30 hours per week, Q1 2024 - Q4 2025



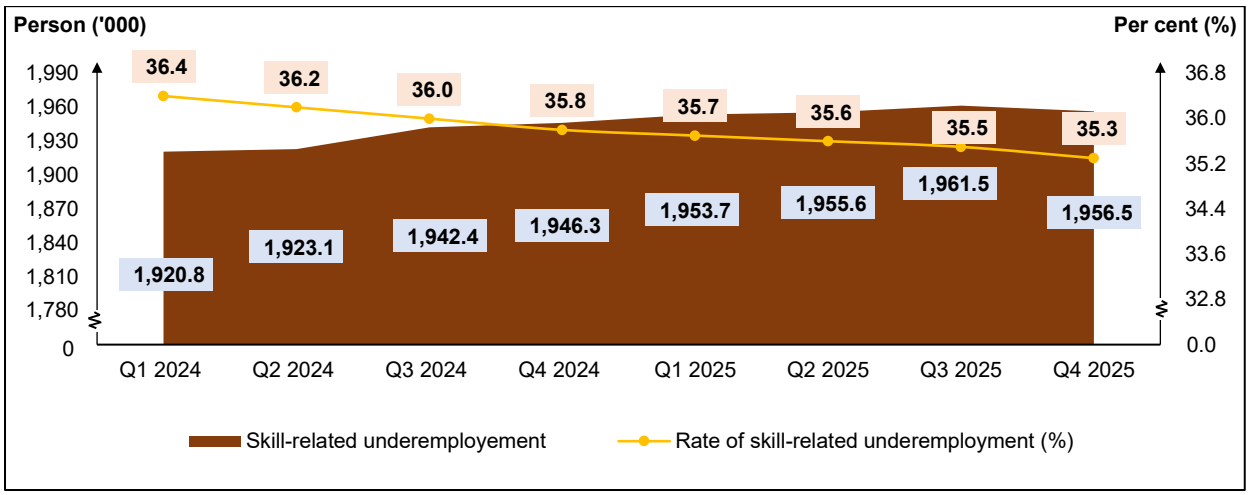
$$\text{Rate of employed persons less than 30 hours per week} = \frac{\text{Number of employed persons less than 30 hours per week}}{\text{Number of employed persons}} \times 100$$

Chart 6: Time-related underemployment, Q1 2024 - Q4 2025



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

Chart 7: Skill-related underemployment, Q1 2024 - Q4 2025



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

Note:

1. The Labour Force Survey indicators for January 2024 and the first quarter of 2024 onwards are estimated based on the Population and Housing Census of Malaysia 2020

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