MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

TODAY'S STATISTICS
by DOSM at 12:00 pm

27 AUGUST 2026 | #204

LABOUR MARKET REVIEW, SECOND QUARTER 2026

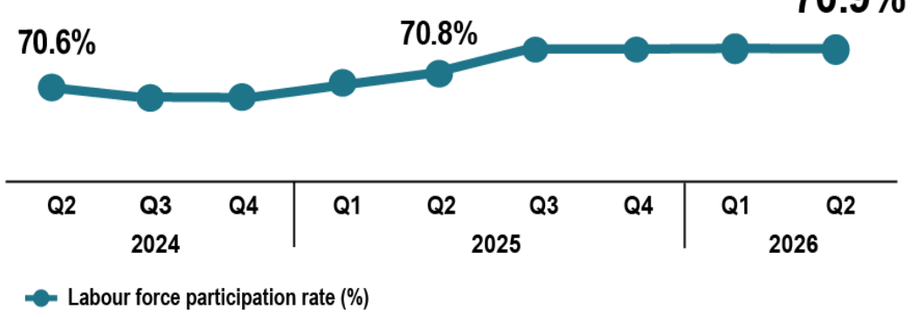
Labour supply and demand expanded further in Q2 2026, with LFPR at 70.9 per cent and labour demand reaching 9.25 million jobs.

LABOUR SUPPLY

17.28 million labour force

- 1.0% YoY
- 0.3% QoQ

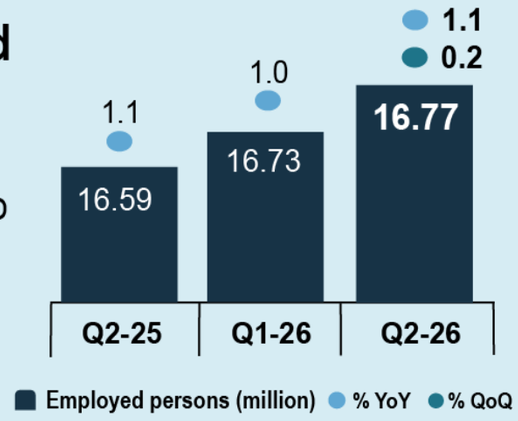
Labour force participation rate (LFPR)
went up by 0.3 percentage points compared to Q2 2025



Total hours worked during Q2, **9.58 bilion hours**

- 0.5% YoY
- 0.5% QoQ

Employed person continue to increased, to **16.77 million persons**



7.08 million outside labour force

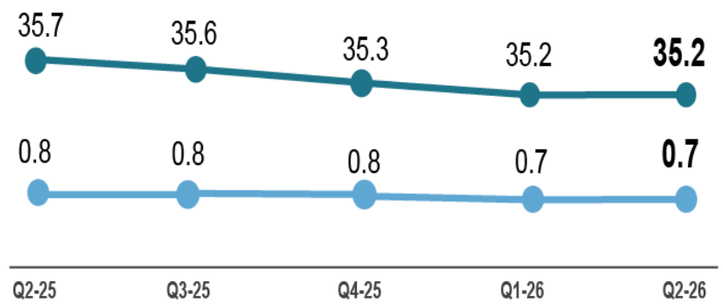
- 0.5% YoY
- 0.0% QoQ

*85.3 per cent did not seek for work due to:

- 45.2% *Housework/ Family resposible
- 40.1% *Schooling/ Training program
- 14.7% Others
  - Disabled person
  - Retired/ Old age
  - Not interested
  - Completed study/ Further study

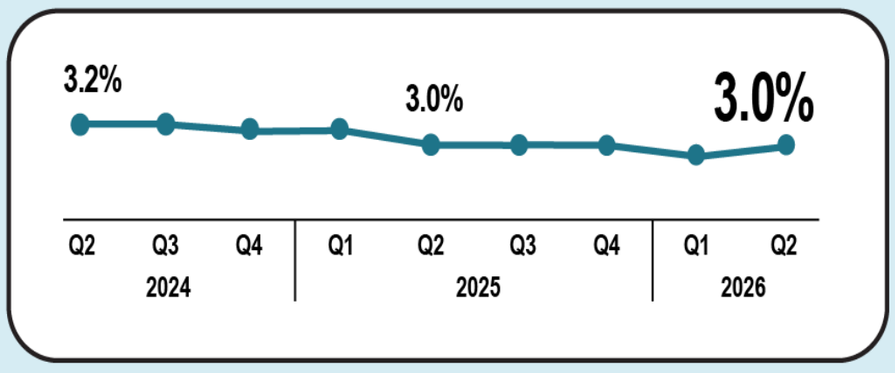
Underemployment situation

- Skill-related underemployment rate (%) decreased 0.5%
- Time-related underemployment rate (%) decreased 0.1%

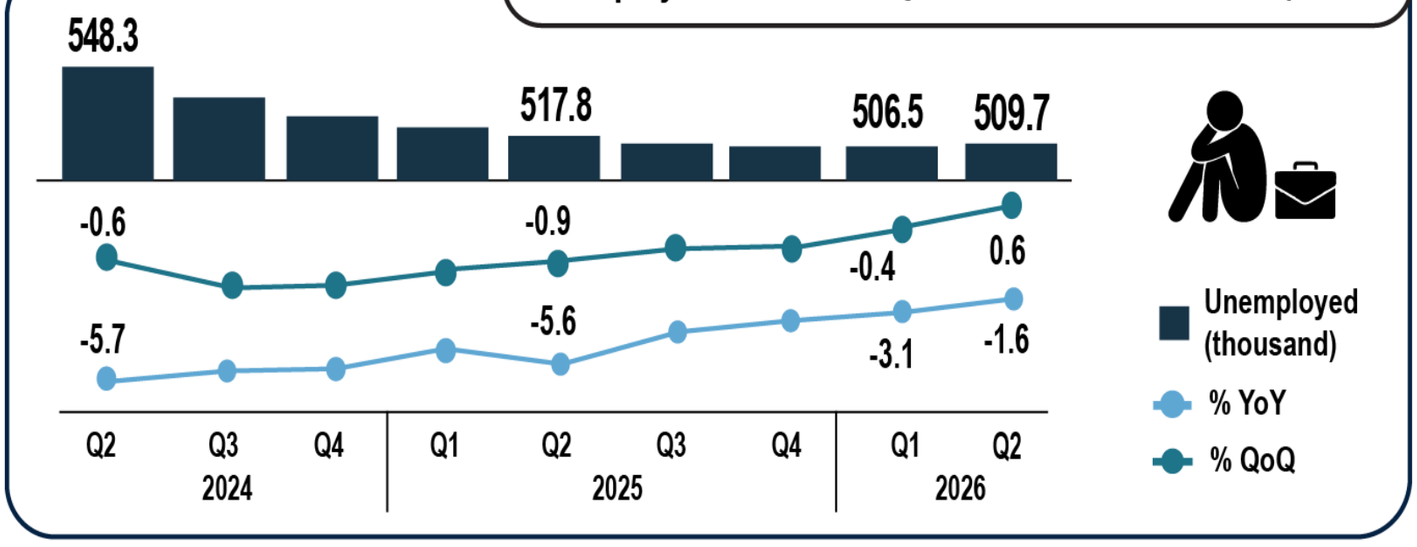


Unemployment

Unemployment rate remained at 3.0 per cent year-on-year.



Unemployed decreased during Q2 2026 to **509.7 thousand persons**



LABOUR DEMAND

Notes: 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

9.25 million jobs

Jobs in economic sector increased by **1.7 per cent** compared to Q2 2025

- **9.05 million filled jobs** — Rated of jobs filled 97.9% — 1.7% YoY, 0.2% QoQ
- **195.7 thousand vacancies** — Rated of vacancies 2.1% — 0.4% YoY, 0.5% QoQ

31.5 thousand jobs created

- 1.2% YoY
- 3.6% QoQ

- 25.2% Skilled
- 66.1% Semi-skilled
- 8.7% Low-skilled

More than half (58.3%) of jons opening during Q2 2026 were in the **Manufacturing sector with** a total of 114.0 thousand vacancies

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Labour supply and demand expanded further in Q2 2026, with LFPR at 70.9 per cent and labour demand reaching 9.25 million jobs.

- In Q2 2026, the labour supply sustained its growth as compared to the same quarter of the previous year increased 1.0 per cent year-on-year of labour force recorded 17.28 million persons. Therefore, the labour force participation rate edged up by 0.1 percentage points to 70.9 per cent.

- The number of employed persons continuously increasing 1.1 per cent to 16.77 million persons, with employment-to-population ratio trend up to 68.9 per cent. Concurrently, the number of unemployed persons declined by 1.6 per cent (-8.1 thousand) to 509.7 thousand persons as unemployment rate remaining at 3.0 per cent compared with the same quarter of the previous year.

- The number of employed persons working less than 30 hours per week continued to trend down by 4.8 per cent from Q2 2025 to 230.0 thousand persons. Accordingly, the rate of time-related underemployment declined to 0.7 per cent. In the meantime, skill-related underemployment, which comprised more than one-third of employed persons with tertiary education, decreased by 0.5 percentage points to 35.2 per cent in Q2 2026.

- Looking at labour demand in the economic sector, the number of jobs grew by 1.7 per cent year-on-year to record a total of 9.25 million jobs. Filled jobs, which comprised 97.9 per cent, also increased by 1.7 per cent over the same quarter of the preceding year to 9.05 million. Meanwhile, job openings in the economy, as indicated by the number of vacancies, rose by 0.4 per cent to 195.7 thousand vacancies during Q2 2026. Additionally, the number of jobs created in the economic sector fell by 1.2 per cent year-on-year, reaching 31.5 thousand.

- Malaysia's economy expanded by 6.0 per cent, aligned with employment growth, labour productivity as measured by value added per employment posted an increase of 4.9 per cent registering RM26,595 per person in Q2 2026. During the same period, total hours worked surged by 0.5 per cent to 9.58 billion hours. Consequently, labour productivity per hour worked also increased by 5.5 per cent, recording a productivity value of RM46.5 per hour.