



LABOUR FORCE STATISTICS

Working Age (15-64 Years)

The working age limit for a country is determined based on the age structure of the economically active population of the country.

POPULATION



Young and elderly population¹

0-14 years (young age)
&
65 years and above (old age)

Labour Force

Refers to population in the working age group of 15 to 64 years who are either **employed** or **unemployed**.

Employed

All persons who, at any time during the reference week worked at least **one hour** for pay, profit or family gain either as an employer, employee, own-account worker or unpaid family worker. They are also considered as employed if they:

Unemployed

The unemployed are those who did not work during the reference week and are classified into two groups that is the **actively unemployed** and **inactively unemployed**.

Outside Labour Force

All persons not classified as employed or unemployed are classified as outside labour force.

This category consists of housewives, students (including those going for further studies), retired, disabled persons and those not interested in looking for a job.

1

did not work during the reference week because of illness, injury, disability, bad weather, leave, labour dispute and social or religious reasons but had a job, farm, enterprise or other family enterprise to return to.

2

were temporary laid-off with pay and would definitely be called back to work.

3

were employed less than 30 hours during the reference week because of the nature of their work or due to insufficient work and were able and willing to accept additional hours of work. This group is categorized as **underemployed**.

Persons who were employed more than 30 hours during the reference week are considered to be in **full employment**.

Actively Unemployed

Include all persons who were available for work and were actively looking for work during the reference week.

Inactively unemployed

Did not look for work because they believed no work was available or that they were not qualified.

Would have looked for work if they had not been temporarily ill or had it not been for bad weather condition.

Had looked for work prior to the reference week and were waiting for result of job applications.

¹ Source: Organization for Economic Co-operation and Development (OECD)



Labour Force in Malaysia, 1982-2017

Labour Force

Over 3 decades, labour force in Malaysia has increased tremendously from 5.4 million persons in 1982 to 15.0 million persons in 2017. Labour force participation rate (LFPR) was 64.8 per cent in 1982 and has reached the highest rate at 68.0 per cent in 2017.



Employment

In 1982, there were 5.2 million of employed persons and the number has increased to 14.5 million persons in 2017. Percentage of employed person with tertiary education also has improved from 6.1 per cent (0.31 million persons) to 28.1 per cent (4.1 million persons) in the same period.



Unemployment

There were 182.4 thousand on unemployed persons recorded in 1982 corresponding to 502.6 thousand persons in 2017. The unemployment rate for Malaysia was consistently below 4.0 per cent since 1995. In 2017, the unemployment rate was 3.4 per cent.



Labour Force Participation Rate

Labour force participation rate is defined as the ratio of the labour force to the working age population (15-64 years), expressed as percentage. The formula is as follow:

$$\text{Labour Force Participation Rate} = \frac{\text{Number of working age labour force}}{\text{Number of working age population (15 - 64 years)}} \times 100$$

Labour Force Participation Rate, Malaysia 1982-2017

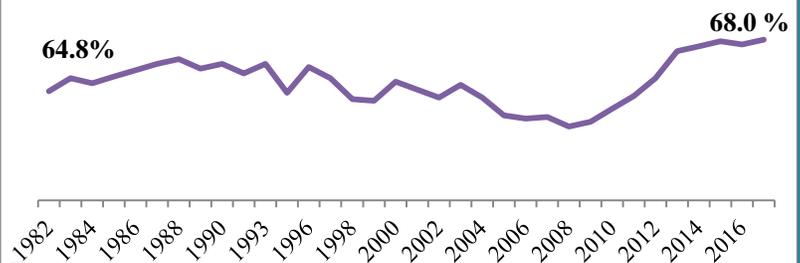


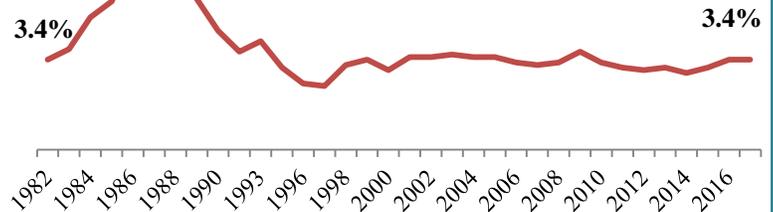
Figure above show labour force participation rate has increased from 64.8 per cent in 1982 to 68.0 per cent in 2017.

Unemployment Rate

Unemployment rate is the proportion of unemployment population to the total population in labour force. This rate measures the percentage of unemployed population in labour force. Unemployment rate is computed by using the formula below:

$$\text{Unemployment Rate} = \frac{\text{Number of unemployed persons}}{\text{Number of persons in the labour force}} \times 100$$

Unemployment Rate, Malaysia, 1982-2017



The unemployment rate below 4.0 per cent indicates that the national economy is sustained in full employment.