

LABOUR FORCE SURVEY 2023



Labour Force

In 2023, the number of Malaysia's labour force remained on its upward trajectory, posting a growth of 3.8 per cent, equivalent to an addition of 597.1 thousand persons. This brought the total labour force to 16.37 million persons as compared to the previous year (2022r: 15.77 million persons). Therefore, a higher labour force participation rate (LFPR) was recorded in 2023, increasing by 0.7 percentage points to a new highest level at 70.0 per cent (2022r: 69.3%).

Employed Person

In 2023, the number of employed persons continued its positive growth, increased by 4.3 per cent or 658.1 thousand persons to record 15.81 million persons (2022r: 15.16 million persons). Consequently, the employment-to-population ratio, which indicates the ability of an economy to create employment, rose by 1.1 percentage points year-on-year to 67.7 per cent (2022r: 66.6%).

Unemployment

The unemployment rate in 2023 continued its downward trend, lessened by 0.5 percentage points to 3.4 per cent compared to the previous year (2022r: 3.9%), almost returning to the pre-pandemic level of 3.3 per cent in 2019. Subsequently, the number of unemployed persons decreased by 9.9 per cent, albeit at a slower pace as compared to double-digit growth in the last year, registering 553.4 thousand persons (2022r: -13.2%; 614.5 thousand persons).

Outside Labour Force

The number of persons outside the labour force declined marginally by 0.04 per cent or 2.9 thousand persons to 7.0 million persons in 2023 as against last year (2022r: 7.0 million persons). Females comprised the largest composition of the outside labour force, representing 68.7 per cent of the total, while males accounted for the remaining 31.3 per cent. The number of females outside the labour force increased to 4.81 million persons, marking 0.5 per cent growth from the previous year (2022r: 4.78 million persons). In contrast, the number of males kept on the decreasing trend, dropped by 1.3 per cent to 2.19 million (2022r: 2.22 million persons).

Selected Indicators by State

In terms of performance by states, all states saw a rise in LFPR throughout the year, indicating more people participating in the labour market. W.P. Putrajaya recorded the highest LFPR at 78.6 per cent, followed by Selangor (77.4%), W.P. Kuala Lumpur (74.2%), Johor and Pulau Pinang (71.3%).

Meanwhile, fifteen states recorded a decrease in the unemployment rate. W.P. Putrajaya registered the lowest unemployment rate at 0.8 per cent followed by Melaka (1.6%), Pahang (2.0%) and Pulau Pinang (2.2%).

The full publication of the Labour Force Survey, Malaysia 2023 can be downloaded through eStatistik Portal

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