

# THIRTY SECOND NATIONAL ECONOMIC BRIEFING



Official Opening  
by  
**YBhg. Tan Sri Dr. Ali Bin Hamsa**  
**Chief Secretary to the Government**

Parkroyal Hotel Kuala Lumpur  
Plaza 1, Lower Lobby

25 July 2017



**MALAYSIAN INSTITUTE OF ECONOMIC RESEARCH**

## Youth Unemployment and Joblessness

Youth unemployment, a contentious issue in contemporary Malaysia, has risen to prominence again. A feature article in Bank Negara's 2016 Annual Report 2016, drew attention to labour market developments and policy concerns.

From 2014 to 2015, the unemployment rate of Malaysia's youth (aged 15-24) rose from 9.5% to 10.7%, by a greater margin than the concurrent change in the national unemployment rate, which rose up from 2.9% to 3.1%. The Report's observation that youth unemployment is three times that of the national rate has perhaps generated more alarm than is warranted; the ratio generally holds through the past decade and a half. From 2001 to 2010, youth unemployment hovered around 11% while the national rate was close to 4%; from 2011-2014, both maintained lower levels of about 10% and 3%, respectively.

Putting things into perspective, young adults are more likely to be looking for work because they have just graduated from a learning institution and entered the labour market, or because they are changing jobs and being more mobile at the early stages of their work life. Therefore there is a tendency for youth unemployment to be higher than average, however this certainly does not make the issue seem less important.

Whether or not the trend in Malaysia's youth unemployment rate continues to gain momentum this year, it is vital to consider the structural barriers to resolving the problem. The Bank Negara report points out both labour demand and supply issues. On the demand side, the profile of new jobs offers is not in sync (does not match) with that of new job seekers. Between 2001 and 2015, 20 percent of jobs created were classified as high skilled, 52% as middle skill, and 28% low-skilled, although half of the increase in the labour force comprised of tertiary educated workers, and the other half had secondary level schooling. Growth of job listings on a major online job portal increased more for managers and executives than the offerings to fresh graduates. Correspondingly, wages for entry-level jobs of degree and diploma holders have stagnated.

On the supply side, some unemployment patterns among the young are cause for concern, with particular reference to employability of graduates and skills deficiency or mismatch. Tertiary educated youth register higher unemployment (15.3%) than non-tertiary educated youth (9.8%). This pattern holds across various countries in Southeast Asia, including Singapore, Indonesia, Thailand and the Philippines, but the converse occurs in most advanced economies, such as Germany, Japan, the UK and France, where tertiary educated youth are less likely to be unemployed.

The report's recommendations mostly reiterate or call for expansion of various policies already in place, such as industry collaboration in technical and vocational education and training (TVET), work exposure for university and college students, and programmes cultivating entrepreneurship and innovation.

Unmistakably youth unemployment has turned out to be a macroeconomic concern.

In the final analysis, the current global environment exposes whatever weaknesses there are in our economic structure and makes it even more pressing for these weaknesses to be addressed and the production structure enhanced.

MIER's National Economic Briefing is a forum for discussing these and other issues of concern to the Malaysian economy. We will be presenting the results of the second quarter 2017 Business Conditions and Consumer Sentiment Surveys during the briefing. The results of MIER's other four industry surveys covering automotive, residential property, retail trade and tourism will also be presented.

Targeted at senior management and industry captains, the briefing provides a platform for frank discussions and debates. Come join us and keep abreast of the latest happenings in the Malaysian economy. Attendance is limited and will be on a first-come, first-served basis.

# PROGRAMME

(Tentative)

**Tuesday, 25 July 2017**

- 08.30 a.m. - 09.00 a.m. Registration
- 09.00 a.m. - 09.30 a.m. **Opening Remarks**  
**Emeritus Professor Dr Zakariah Abdul Rashid**  
Executive Director, MIER
- Address and Official Opening**  
**YBhg. Tan Sri Dr. Ali Bin Hamsa (tbc)**  
Chief Secretary to the Government of Malaysia
- 09.30 a.m. - 10.00 a.m. Refreshment
- 10.00 a.m. - 11.30 a.m. **National Economic Briefing**  
National Economic Outlook, Business Conditions, Consumer Sentiments , Automotive Industry, Residential Property, Retail Trade and Tourism Market Perspectives  
**Emeritus Professor Dr Zakariah Abdul Rashid**  
Executive Director, MIER
- 11.30 a.m. - 12.00 p.m. Q & A
- 12.00 p.m. - 12.30 p.m. Special Topic:  
**Youth Unemployment and Joblessness**  
**Encik Asri bin Ab Rahman**  
Director The Institute for Labour Market Information and Analysis (ILMIA)  
Ministry of Human Resources Malaysia
- 12.30 p.m. - 01.00 p.m. Q & A
- 01.00 p.m. - 02.00 p.m. Lunch (Chatz Brasserie Coffee House, Lower Lobby)

**Registration Fees :** **RM 530.00 each for MIER Members**

Inclusive of 6% GST

**RM 636.00 each for Other**

Inclusive of 6% GST

**THIRTY-SECOND NATIONAL ECONOMIC BRIEFING**  
**25 July 2017, Lower Lobby, Plaza 1,**  
**Parkroyal Hotel, Jalan Sultan Ismail, Kuala Lumpur**

**REGISTRATION FORM**

**Fees :**  
**GST No : 001938624512**

**HRDF claimable**  
**HRDF: myCOID 149064U**

- \* RM 530.00 each for MIER Members  
Inclusive of 6% GST
- \* RM 636.00 each for Other  
Inclusive of 6% GST

The fees include presentation material, refreshment and lunch.

All registration must be received by MIER not later than **21 July 2017**. Cancellations and refunds will not be made after that date. However, substitution will be allowed if made at least 72 hours before the Conference.

Name	
Designation	
Organisation	
Mailing Address	
Contact Person	
Tel No.	
Fax No	
Email	

(If there are more than one participant from the same organisation, please attach a separate list).

Please tick (  ) at the appropriate box:

- MIER Member                       Others

Payment details:

- Please invoice accordingly
- Local Order (LO)
- Enclosed is a crossed-cheque (No) \_\_\_\_\_ for the amount of MYR \_\_\_\_\_ made payable to the **MALAYSIAN INSTITUTE OF ECONOMIC RESEARCH**

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Date

\_\_\_\_\_  
Signature of contact person and  
company stamp

**(RSVP (603) 2142 0091/21425895/21425897, Fax: (603) 2141 0131, e-mail: secretariat@mier.org.my by 21 July 2017)**