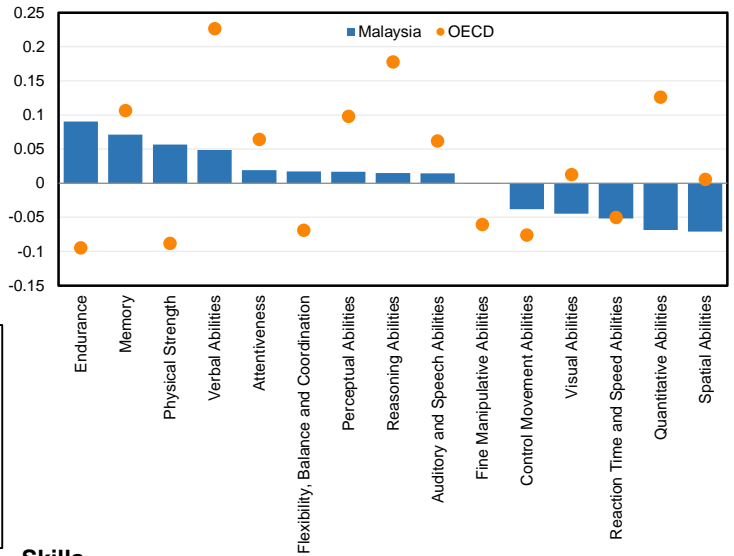


Where are the skills imbalances?

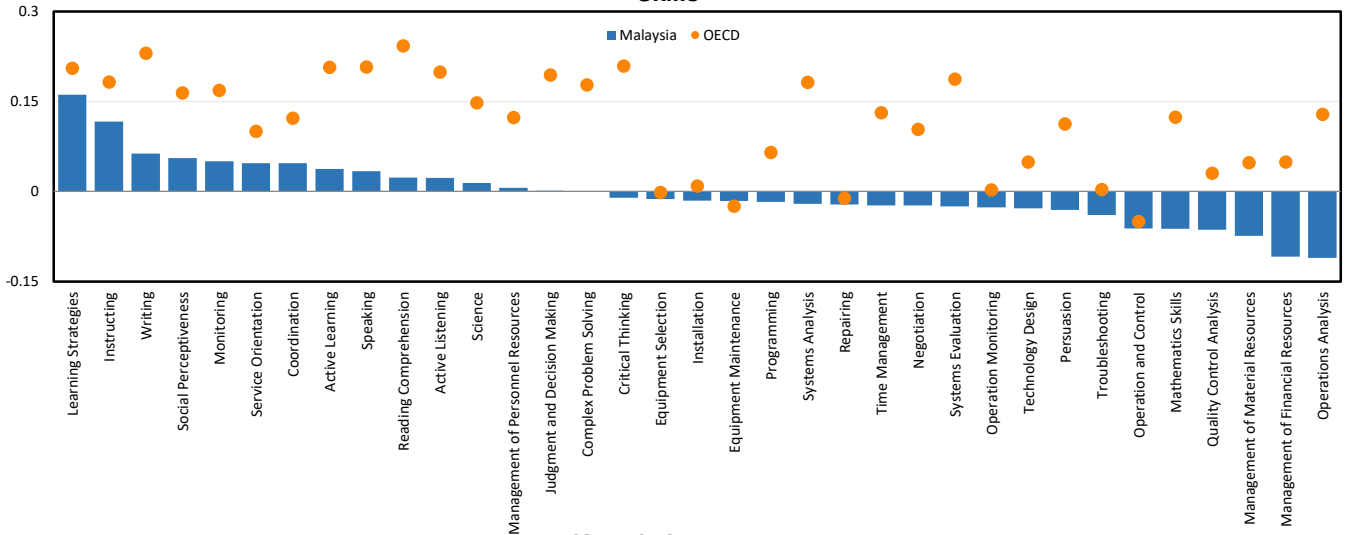
Malaysia is experiencing shortages of Physical Strength and Endurance, but also Verbal *Abilities* and Memory. Substantial shortages are found in the *Skills* areas of Learning Strategies and Instructing, although these are smaller than on average across OECD countries. Malaysia faces shortages in several *Knowledge* areas, especially in Education and Training and certain areas of Arts and Humanities, but also in some STEM fields such as Biology and Computers and Electronics.

Skills shortages occur when the skills sought by employers are not available in the pool of potential recruits, whereas skills surpluses occur when the supply of certain skills is higher than the demand for them. The OECD Skill Needs Indicators measure the degree of shortage (positive values) and surpluses (negative values) for a range of dimensions, such as Skills, Abilities, and Knowledge areas. Results are presented on a scale that ranges between -1 and +1. The maximum value reflects the strongest shortage observed across OECD (31) countries and skills dimensions

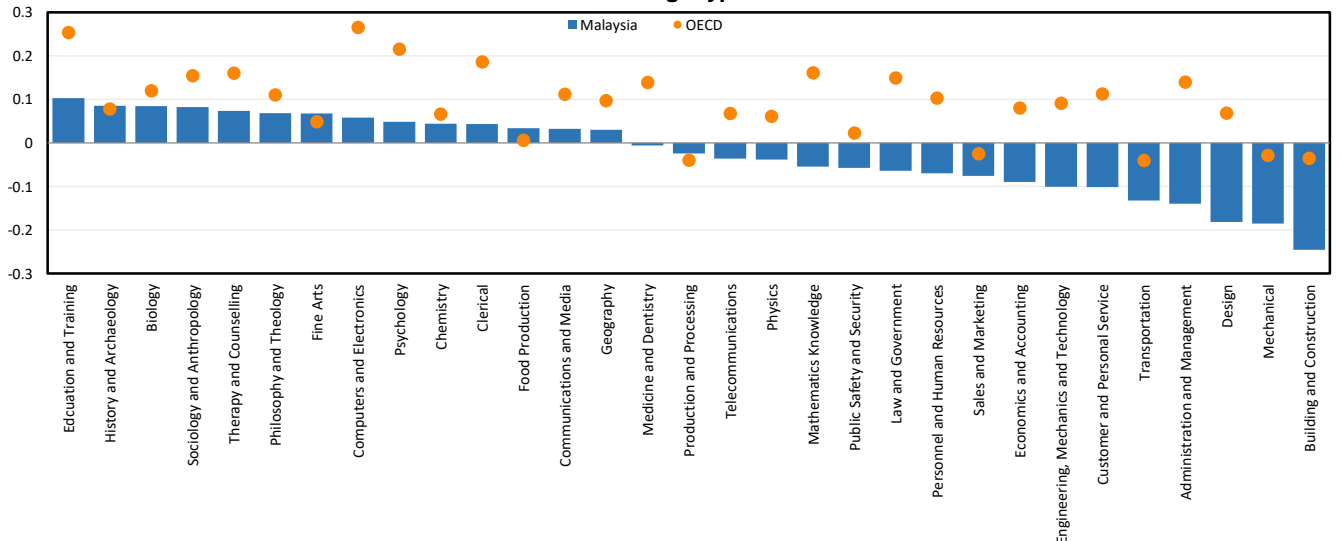
Abilities



Skills



Knowledge types

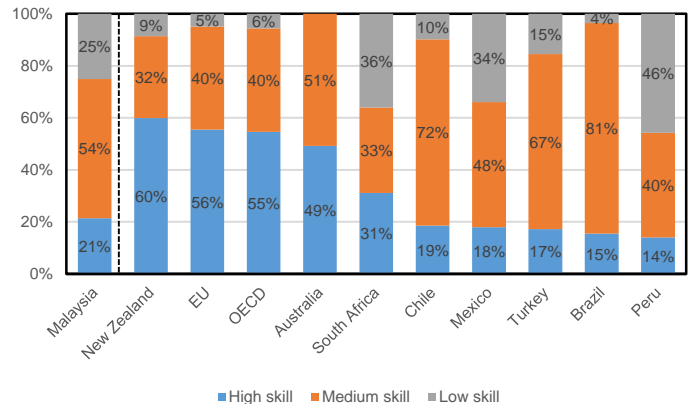




Where are the jobs in shortage in your country?

In Malaysia more than 5 out of 10 jobs facing skills shortage are in occupations requiring medium skills. About 21% of jobs that are hard-to-fill require high skills and 25%, instead, require low skills, a share that is higher than in most OECD countries. These differences not only reflect differences in where shortages are, but also in the skill composition of total employment.

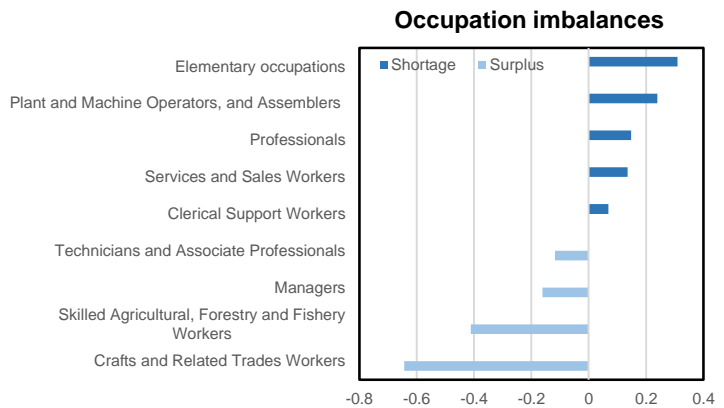
High-skilled workers refer to Managers, Professionals, Technicians and Associate Professionals (ISCO occupational groups 1-3), medium-skilled to Clerical Support Workers, Skill Agricultural, Forestry and Fishery Workers, Crafts and Related Trades Workers, Plant and Machine Operators and Assemblers (ISCO groups 4-8), and low-skilled to Elementary Occupations (ISCO group 9).



Which occupation groups face the largest shortages?

The strongest shortages in Malaysia are found for elementary occupations and Plant and Machine Operators and Assemblers. Also Professionals, Services and Sales Workers and Clerical Support Workers are facing shortage pressure. This shows that shortages can be found at all skill levels in the Malaysian labour market.

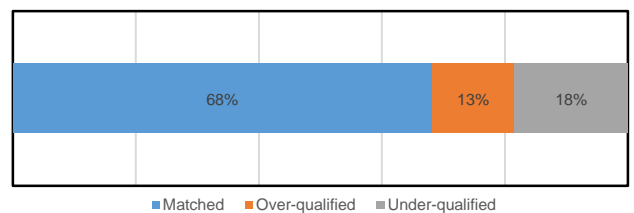
Occupations shortages occur when firms struggle to find appropriate talent. Surplus arises when the supply of workers in that occupation exceeds demand. Results are presented on a scale that ranges between -2.5 and +2.5. The occupation group values are weighted averages of the detailed occupation results. The results are derived from information on employment growth, wage growth, growth of average hours worked, and changes in the share of under-qualified workers.¹



How is the alignment of talent to job requirements?

Almost 3 out of 10 workers in Malaysia are either over- or under-qualified for their current occupation: 13% of workers are over-qualified 18% are under-qualified.

Qualification mismatch describes a situation for which a worker has a qualification level that exceeds (over-qualified) or does not meet (under-qualified) the one generally required for the job. Results are based on information on four education levels: no schooling, primary, secondary and tertiary.²



Useful links

Mismatch dataset – <http://dotstat.oecd.org/Index.aspx?QueryId=77595>
Skill needs dataset – <http://dotstat.oecd.org/Index.aspx?QueryId=77642>
Skills for Jobs webpage – <https://www.oecdskillsforjobsdatabase.org>

Further information

Data for skill imbalances, sector and qualification and field-of-study mismatch imbalance refer to year 2017.

See also: OECD (2017), *Getting Skills Right: The OECD Skills for Jobs Indicators*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264277878-en>

Notes

¹ The standard OECD Skills for Jobs methodology also includes the occupational unemployment rate as an indicator to calculate the intensity of shortages and surpluses. However, this information is not available for Malaysia.

² The qualification mismatch results for Malaysia are not comparable to those of other countries in the OECD Skills for Jobs database, as they are based on different education level categories.

Contact

OECD Skills and Employability Division, Directorate for Employment, Labour and Social Affairs

✉ Marieke.Vandeweyer@oecd.org