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.
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.

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.

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.

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.

Useful links

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.


Contact

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

Marieke.Vandeweyer@oecd.org