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OPP3-Labour

LABOUR FORCE TO REACH 12.9 MILLION IN 2010

KUALA LUMPUR, April 3 (Bernama) -- The size of the labour force is expected to increase by 3.1 per cent per annum or an additional 3.3 million during the third Outline Perspective Plan (OPP3) period, to reach 12.9 million in 2010.

"The growth of the labour force is attributed to the increase in the size of the working-age population and in the labour force participation rate (LFPR) from 65.5 per cent in 2000 to 68.1 per cent in 2010," the Economic Planning Unit of the Prime Minister's Department said in its report.

The report, tabled by Prime Minister Datuk Seri Dr Mahathir Mohamad at the Dewan Rakyat here today, said female labour force participation was expected to increase from 44.5 per cent in 2000 to 49.0 per cent in 2010, with more participation in the professional and technical group.

According to the report the population of Malaysia was projected to increase to 28.9 million in 2010 at an average growth rate of 2.2 per cent per annum.

The growth rate was slower compared with the 2.5 per cent per annum achieved during the OPP2 and this was attributed to the continued decline in the overall fertility rate, as more and more women pursue higher levels of education or training.

The fertility rate is the number of children that a woman will bear during her child-bearing age.

The working age group of 15 to 64 years is projected to increase from 62.9 per cent in 2000 to 65.7 per cent in 2010.

According to the report, the demand for labour would increase at an average rate of 3.1 per cent annually with the expected rapid Gross Domestic Product (GDP) growth and this would result in an increase in employment from 9.3 million in 2000 to 12.6 million in 2010.

The services sector is expected to continue to have the largest share of total employment, where by 2010, it will increase to 51.5 per cent, accounting for 59.4 per cent of total employment creation.

At the end of the OPP3, the agriculture sector's share of employment is however expected to constitute 9.8 per cent of the total employment and the reduction is due to the introduction of high technology cultivation methods and large-scale farming as well as increased mechanisation.

According to the report, the future growth and development of the economy would be driven by the knowledge-based industries in all sectors, particularly the manufacturing and services sectors.

In the knowledge-based economy, high technology and science-based industries as well as knowledge-intensive industries such as ICT, pharmaceutical industries and the R&D activities will generate jobs requiring tertiary education, especially those trained in the science and technology disciplines.

Labour productivity growth during the OPP3 period was expected to increase by 4.2 per cent per annum for all sectors, in line with the shift towards the knowledge-based economy, it added.

-- BERNAMA

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