

Struggling to land jobs

Experts cite mismatch between fresh grads' skills and industry needs

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PETALING JAYA: While the overall graduate employment rate improved in 2023, there was a specific group – fresh graduates – that found it harder to secure jobs.

According to the Statistics Department (DOSM), the unemployment rate of graduates below the age of 25 has been gradually increasing since 2021 and rose above pre-pandemic levels in 2023, at 17.2% or a total of 72,100 jobless fresh graduates.

Experts say with more graduates entering the job market, the mismatch between subjects studied by university graduates and industry needs, coupled with outdated university curriculum and resistance among graduates to adapt to changes are contributing to the rising unemployment.

They suggest that the government strengthen the position of Technical and Vocational Education and Training (TVET) to meet industry demand and reduce oversupply of graduates in industries with lower demand.

"The undersupply of Science, Technology, Engineering and Mathematics (STEM) graduates, and oversupply of graduates in arts and social sciences are structural factors contributing to graduate unemployment and under-employment," said economics expert Dr Yeah Kim Leng. The Sunway University profes-

sor said that since TVET is focused on meeting industry skills needs, the government could consider making it mainstream to reduce graduate unemployment.

He said certain TVET industries that are experiencing strong growth are facing a labour shortage, such as semiconductor, data centre and renewable energy.

He added that graduates must be flexible in learning new skills, be easily adaptable and embrace life-long learning.

At the height of the Covid-19 pandemic in 2020, fresh graduate unemployment dropped due to fewer graduates entering the job market.

However, DOSM's figures show that the number of unemployed graduates aged below 25 is rising again each year.

Diploma holders make up 62% of unemployed graduates in this age group, while the remaining 38% are degree holders.

Most of the jobless diploma holders are male, while females are more dominant among unemployed degree holders.

According to DOSM, those in the age group of 24 and below, and 25 to 34 make up 80% of the total number of unemployed graduates.

Human Resources consultant Usha Devi K. Arumugam said the government's initiative that focuses on TVET and the proposed higher starting salary for TVET graduates can encourage more students to pursue TVET and increase their employability.

"TalentCorp's MyNext programme is another good initiative to expose undergraduates to the real working world," she said.

She added that graduates need to expand their knowledge and skill set, as well as network and connect with industry experts to improve their employability.

Malaysian Human Resources Association president Zarina Ismail said with approximately 600,000 graduates produced annually by public and private higher learning institutions, the country faces the challenge of providing enough suitable job opportunities.

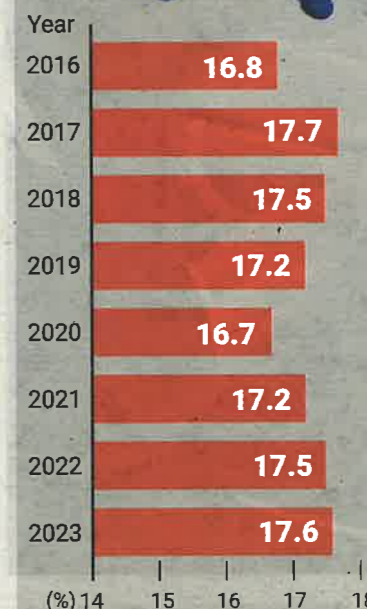
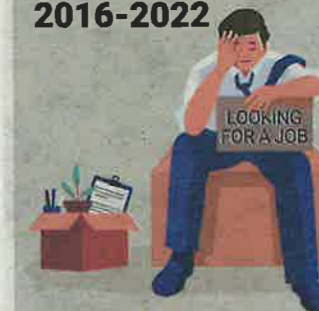
"Many graduates are willing to take any job to meet their needs, such as repaying student loans. A notable number also turn to freelance and gig opportunities," she said.

Prof Dr Razali Hassan, from Universiti Tun Hussein Onn Malaysia Faculty of Technical and Vocational Education, said TVET programmes need to be up to pace with industry advancement to avoid graduates being trained in obsolete technologies or methods.

"Curriculum reviews are not done often, and it takes a long time to improve the curriculum according to industry demand," he said.

He added that the stigma that TVET qualification is less prestigious than academic degrees can also dissuade students' motivation, in addition to a lack of recognition from employers.

Unemployment rate for fresh graduates below 25 years old, 2016-2022



Source: Statistics Department

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