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Executive Summary
The Malaysia Country Gender Diagnostic Note will serve as a guide to identify the priority areas for the World Bank country office in Malaysia to address the gender equality challenges in meeting the country’s aspirations and next stage of development, particularly in the areas of inclusive growth and sustainability. This diagnostic builds on the first review that was completed in 2018, and aims to understand the changes from 2017 to 2020, especially with regards to the impact of the pandemic on gender issues. This note has strived to obtain the most current data. Where 2019 to 2020 micro-data is not available, this diagnostic is based on data and analysis drawn from published reports using data obtained from the Department of Statistics Malaysia.

The diagnostic commences with a review of Malaysia’s performance in gender indicators in global indices, and documents areas of progress and areas where Malaysia is lagging in comparison to Southeast Asian (SEA) neighbors and selected countries in the East Asia and Pacific (EAP) region, as well as aspirational high-income nations. The diagnostic follows the framework of the 2012 World Development Report on Gender Equality and Development, and focuses on three priority areas: human endowments, voice and agency, and economic opportunities. This note also considers the changes in Government and national policies, and on pertinent emerging issues.

Malaysia scores poorly in gender-related indicators, although it performs fairly well on a number of human development indicators in international indices. Since the previous Gender Diagnostic Note 2018, Malaysia’s performance in the global gender indices has not changed significantly. For example, in the Women, Business and Law Report 2021, Malaysia maintained its score at 50 and comes in the bottom 20th percentile. When compared to regional comparators and aspirational high-income economies, Malaysia is underperforming.

Malaysia’s progress on reforms seems to have stalled in the last decade, and it has been more pronounced in the last two years when planned reforms and new Bills to be tabled in Parliament have failed to materialize. In 2018, Malaysia had plans to table comprehensive gender legislative reforms, such as labor law amendments, the Gender Equality Bill, and the Sexual Harassment Bill in Parliament. These amendments include long-awaited reforms for parenthood and flexible working arrangements, which would have greatly benefitted both women and men in addressing COVID-19 related labor market impacts. This period coincided with the change in Government in early 2020, and the advent of the global COVID-19 pandemic, which has overtaken all other priorities. National development planning and budget priorities remain primarily focused on utility to economic growth, such as interventions to address female labor force participation rates. However, a heartening development was seen in the Malaysia Budget 2021, in response to the impact of economic lockdowns on families and children. The Government allocated RM170 million to set-up, maintain, and repair early childhood and care centres to assist the bottom 40% of income earners (B40) in urban areas.

In the area of human endowment in education, Malaysia has reversed gender gaps in enrolment at all educational levels, which means there are more girls than boys in the primary, secondary, and tertiary levels. The reverse gender parity index widens at the upper secondary and tertiary levels. However, Malaysia’s female enrolment rates at the secondary and tertiary levels are below regional and "aspirational" countries. This data also raises questions on boys’ enrolment and completion rates at the secondary and tertiary levels. Malaysian girls outnumber boys in all fields of study except one – in the field of engineering, manufacturing, and construction – with a GPI of 0.8. This is significant progress, as the gender gap has narrowed significantly over the last 30 years. In terms of education outcomes, Malaysian girls have consistently outperformed boys, particularly after 2007, in composite learning outcomes as captured by international standardized tests.

In health, while Malaysia has made significant strides in improving health outcomes for women, the country needs to prepare for a gendered response to an aging population, as women are living longer than men. Women have a shorter duration of participation in the labor force, with subsequently smaller savings and pensions; thus, the country would need policies, programs, social protection, and healthcare systems that promote healthy and productive aging. Malaysia does well in terms of broad indicators of
female health: maternal mortality, female life expectancy, and adolescent health, while there is room for improvement for reproductive rights and fertility. There is a rising case of non-communicable diseases, with key causes of death among women being pneumonia, heart disease, cerebrovascular disease, breast cancer, and diabetes mellitus. There is also a higher incidence of obesity among Malaysian women as compared to men, which lends itself to higher risk of contracting non-communicable diseases such as hypertension. On mental health, women are more likely than men to experience depression, with rates at 2.6% versus 2.0% respectively, based on the 2019 National Health Morbidity Survey. In light of the ensuing COVID-19 pandemic and the increased triple burden of care expected from women, the incidence of more women experiencing depression is projected to be higher.

In the area of voice and agency, Malaysia has achieved its target of 30% women in senior management positions in the public and private sector. Last year in 2020, Malaysia achieved its 30% target for women in senior management positions, with representation jumping 10% above 2019 to hit 33%. However, when compared to other SEA countries, Malaysia fares averagely and comes in fourth behind the Philippines, Thailand, and Singapore in the proportion of women on the boards and senior management in the private sector. This performance reflects a structural issue in which the low female labor force participation, coupled with a single peak where women are not returning to the workforce upon taking a career break, is resulting a smaller pipeline as compared to men, where they are more in number and staying longer in the workforce. Notwithstanding the slower progress in the labor and gender law reforms, Malaysia achieved outstanding progress early this year 2021 in the judiciary, with the appointments of eight female judges out of 14 judges at the Federal Court. The Federal court is the highest court in Malaysia, which dispenses all civil laws for all Malaysians. However, there is still a lot more room to improve; where Malaysian women are still severely under-represented in Parliament with only 4% of MPs being women, and consequently only five women, at 12.5%, are Cabinet Ministers. The rights of migrant workers, especially domestic workers who are predominantly female, remains an issue. Labor reforms have stalled on the issue of the definition and rights of domestic workers. However, due to the huge spikes in COVID-19 clusters, which brought up the issue of cramped living conditions for migrant workers, there are labor reforms to be tabled by the Ministry of Human Resources to address poor living and housing conditions. These reforms and subsequent enforcement measures will ensure improved accommodation and amenities. Based on the number of helpline calls, the incidence of gender-based violence increased last year in 2020, corresponding with the economic lockdowns due to the impact of COVID-19, but the numbers have decreased significantly in the last quarter of the calendar year 2020.

Malaysia’s female labor force participation rate remains the third lowest in ASEAN, and under-performing when compared to peer countries of similar income level. Across the different age groups, Malaysia’s female labor force participation rate is single-peaked, showing that women are leaving the labor force and not returning, when they reach the child-bearing age of 30 years and above. For a country that is aspiring to high-income status, it will be imperative for Malaysia to ensure all its educated and experienced talent pool remain productive as long as possible and contributing in the labor market.

The key barrier cited by women for dropping out of the workforce or staying out of the labor force is housework. Women are over-burdened with care-giving responsibilities: childcare, elderly care, and home management, over and above work responsibilities. As women are not staying long enough in the labor force, they have fewer opportunities for career growth to become managers and remain as professionals, and are more likely to favor occupations such as clerical, service and sales workers, and in part-time work environments. As such, men’s median monthly gross income has been consistently higher than women’s, with the largest wage gaps at the highest end (top 10%) and at the lowest end (bottom 20%) of the earnings distribution. However, it is interesting to note that women earned more than men between the 60th and the 90th percentiles.

There is a higher unemployment rate among women over men in Malaysia, although the country has a low level of unemployment ranging from 2.9% – 3.4%. Due to the impact of the COVID-19 pandemic, there was a surge in unemployment, with a higher impact on women during the peak of the economic lockdown
in Q2 2020. However, with the gradual easing of movement restrictions and the reopening of businesses, the female unemployment rate reduced to a similar rate as men’s in Q3 and Q4 2020. Young workers and married women with young children have been most affected by the COVID-19 pandemic.

Recognizing the World Bank’s comparative strengths, the main focus area will be in increasing female labor force participation, with the objectives of improving economic opportunities for women, uplifting household incomes, and ensuring there is a strong talent pool which will remain productive for longer, toward Malaysia’s journey in achieving high-income and developed nation status.

The following recommendations will help guide priorities for the World Bank Group to consider for the Country Gender Action Plan:

(1) Engage with the Malaysian Government to maintain its resolve, urgency, and priorities to continue pursuing legal reforms in its labor laws, as well as table the new Gender Equality and Sexual Harassment Bills, as they would provide a strong signal and create a more enabling environment for women to pursue economic opportunities.

(2) Improvements in the policy responses on childcare, which would include the following:
   i. Expand the definition of childcare to cover all children from ages 0 to 17 years, and not just the early years.
   ii. Increase the different modalities of childcare provision, especially for the B20 urban poor, through increasing the availability of free quality childcare at home, workplace, schools, or in community centers. This is a form of targeted social assistance for low-income families, and these provisions will enable women to work more sustainably and in formal jobs.
   iii. Improve upon the childcare regulations and processes, and promote the tax incentives provided in the annual Government Budget to encourage employers and building operators to provide childcare facilities.

(3) Engage with the Malaysian Government to advocate and reinforce measures on companies to implement flexible forms of work such as home-based work, flexible working hours, and part-time work. While flexible forms of work are becoming increasingly acceptable due to the impact of COVID-19, they continue to be the exception rather than the norm, especially among SMEs and companies where systems or processes are not fully digital. Therefore, it would be important to have low-cost solutions, policies, and incentives to encourage SMEs to digitalize their businesses. It is also important to facilitate flexible forms of work such as part-time, home-based work, and flexible working hours. The importance of these provisions become especially pronounced during the COVID-19 pandemic, where women are doing double or even triple duties at home.

(4) Malaysia needs to prepare for a gendered response to an aging population as women are living longer than men, but with a shorter duration in the labor force, with subsequent smaller savings and pensions. Compared to other upper-middle- and high-income countries, the employment rate of people aged 50 to 74 in Malaysia is relatively low. The Government must actively encourage older worker participation in the labor market. To solve the country’s decreasing workforce, the Government must extend the official retirement age and eligibility age for claiming the old age pension to keep elderly workers in high-skilled jobs and in the formal sector. Providing more incentive schemes for older pensioners could also induce workers to work longer, and extend the coverage to the elderly in the informal sector.

(5) Women are important stakeholders in reducing plastic usage and handling waste management, as they play a crucial role at home and in the workplace. The country would need laws and policies to incorporate gender-sensitive and responsive measures to tackle plastic usage upstream, waste management, marine plastic pollution, and related health and safety issues. More gender analysis and research on different aspects of climate change and marine plastic management are needed to better inform policy formulation in these areas.
Introduction
The aim of this gender diagnostic note is to support the development of **Malaysia Country Gender Action Plan (CGAP) FY22-23** and to guide World Bank Group efforts to address gender equality challenges relevant in meeting the country’s aspirations towards achieving high-income and developed nation status, and in prioritizing gender-informed activities in the Malaysia Hub work program.

This note follows the framework of the 2012 World Development Report on Gender Equality and Development, with a focus on endowments, voice and agency, and economic opportunities. The first chapter is a country overview that outlines Malaysia’s performance in Global Gender Indices, and introduces institutional frameworks related to gender, including legislation, international obligations, national policies, economic development plans, and national budgets. Then the report delves into four areas: human endowments, economic opportunities, voice and agency, and emerging areas of concern.

The second chapter on human endowments details the progress in closing gender gaps in health and education outcomes, such as maternal mortality and fertility, as well as educational enrollment and attainment. The third chapter on voice and agency presents trends in women’s representation in senior levels of the public and private sectors, as well as the status of women’s political representation. This chapter also briefly covers other issues such as migrant rights (including domestic workers) and trafficking. The fourth chapter analyzes labor force participation and gender gaps in employment and wages, and explores constraints on women’s work. The fifth chapter briefly covers emerging concerns in the environment, in particular on marine plastics and women in indigenous communities. Across all the chapters, the assessment aims to identify the impact of COVID-19 on these gaps.

This gender diagnostic assessment has strived to obtain the most current data. Where 2019 to 2020 micro-data is not available, this gender diagnostic assessment is based on data made available from published reports that have been obtained from the Department of Statistics Malaysia.
CHAPTER 1

Country Overview
Key Findings

- Although Malaysia performs well on a number of human development indicators in international indices, it scores poorly in gender-related indicators.

- When compared to regional comparators and more advanced economies, Malaysia is underperforming.

- Malaysia’s progress on reforms seems to have stalled and continues to lag noticeably behind those of neighboring ASEAN countries, even as lower-income countries leapfrog ahead. In the latest Women, Business and Law Report 2020, Malaysia comes in the bottom 20 percentile.

- In 2018, Malaysia had plans to table comprehensive gender legislative reforms in Parliament, such as the Gender Equality Bill, labor law amendments, and the Sexual Harassment Bill. These amendments include long-awaited reforms for parenthood and flexible working arrangements, which would greatly benefit women and men in addressing COVID-19 related labor market impacts.

- However, the change in Government in March 2020 and the impact of the COVID-19 pandemic have dramatically stalled the pace of reforms.

- National development planning priorities remain focused on utility to economic growth, such as interventions to address female labor force participation rates.

- Malaysia Budget 2021 announced initiatives consistent with the United Nations’s 17 Sustainable Development Goals which include Goal 5 Gender Equality. In Budget 2021, due to the recognition of the impact the pandemic has on B40 families, a large RM170 million allocation has been provided for childcare.
(1.1) Performance on Global Gender Indices?

• Malaysia’s Performance in Global Gender Indexes

Although Malaysia performs well on human development indicators in international indices, it scores poorly in gender-related indicators. Since the previous Gender Diagnostic Note 2018, Malaysia’s performance in the global gender indices has not changed significantly. When compared to regional comparators and more advanced economies, Malaysia is underperforming.

Progress on the gender dimension seems to have stalled in Malaysia. In the Women, Business and Law Report 2021, Malaysia maintained its score and comes in the bottom 20th percentile. Since March 2020, many of the planned reforms, such as amendments in the labor laws and new Bills such as the Gender Equality and Sexual Harassment Bills, have not been tabled in Parliament. Table 1.1 summarizes Malaysia’s performance in the latest global gender indexes.

**Table 1.1: Malaysia’s Performance across Key International Indices**

<table>
<thead>
<tr>
<th>Index</th>
<th>Year</th>
<th>Malaysia’s Performance</th>
<th>Areas for Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Development Index, in the Human Development Index</td>
<td>2020</td>
<td>GDI value 0.972, while the HDI is ranked 59 out of 162 economies in the “Very High Human Development” category</td>
<td>Political and leadership representation, labor force participation</td>
</tr>
<tr>
<td>Gender Inequality Index (GII), HDI</td>
<td>2020</td>
<td>GII value 0.253</td>
<td>Political and leadership representation, labor force participation</td>
</tr>
<tr>
<td>Human Capital Index</td>
<td>2020</td>
<td>61 percent as productive</td>
<td>School indicators, not stunted rate</td>
</tr>
<tr>
<td>Global Gender Gap Index (GGGI)</td>
<td>2020</td>
<td>106 out of 144 countries</td>
<td>Political empowerment, economic opportunities</td>
</tr>
<tr>
<td>Women, Business and Law (WBL) Index</td>
<td>2021</td>
<td>Score 50, tied for 167th place out of 190 economies</td>
<td>Parenthood, marriage, workplace, pay, and mobility</td>
</tr>
<tr>
<td>Social Institutions and Gender Index (SIGI)</td>
<td>2019</td>
<td>No rank (incomplete data)</td>
<td>Physical integrity, family code, civil liberties (political participation)</td>
</tr>
</tbody>
</table>

While the COVID-19 pandemic has severely significantly impacted economic and social well-being globally, the impact of the pandemic has yet to be reflected in Malaysia’s performance in the majority of these international indices, as data was collected in 2019. For example, the 2020 GGGI uses 2019 figures and it was published in December 2019. This said, we anticipate changes in a few indicators related to employment as COVID-19 effects begin to be represented in the data.

Global studies have shown women have been disproportionately affected, with increased burdens from care responsibilities and vulnerability to domestic abuse, as well as loss of economic opportunities.\(^1\) However, data is not available at the time of this note on the specific impacts of COVID-19 on changes to Malaysian society and the economy. The medium-term impact on unemployment and the type of employment may be difficult to predict at this stage as the country battles with COVID-19 resurgences. As and when micro-data becomes available, the medium- to longer-term impacts of COVID-19 on Malaysia’s gender disparities can be then be ascertained.

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• Human Development Index

Malaysia scored 0.810, putting the country in the ‘very high’ human development category with a rank of 62 out of 189 countries, according to the Human Development Index (HDI) 2020. Between 1990 and 2019, Malaysia’s HDI value increased from 0.643 to 0.810, which shows an increase of 26%. For the same period, life expectancy at birth for Malaysians increased by 5.3 years and Malaysia’s Gross National Income (GNI) per capita increased by about 177.3% between 1990 and 2019. Malaysia’s improvement to a score of 0.810 came primarily because of an improved life expectancy average of 76.2 years compared to 76.0 years in the previous year.

Table 1.2: Malaysia’s HDI and component indicators for 2019 relative to selected countries and groups

<table>
<thead>
<tr>
<th>Country</th>
<th>HDI rank</th>
<th>HDI Value</th>
<th>GDI Value</th>
<th>Life expectancy at birth</th>
<th>Expected years of schooling</th>
<th>Mean years of schooling</th>
<th>Estimated GNI per capita (2017 PPP$)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VERY HIGH HUMAN DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>1</td>
<td>0.957</td>
<td>0.990</td>
<td>84.4</td>
<td>80.4</td>
<td>17.4</td>
<td>13.0</td>
</tr>
<tr>
<td>Finland</td>
<td>11</td>
<td>0.938</td>
<td>0.990</td>
<td>84.7</td>
<td>79.1</td>
<td>20.2</td>
<td>18.6</td>
</tr>
<tr>
<td>Singapore</td>
<td>11</td>
<td>0.938</td>
<td>0.985</td>
<td>85.7</td>
<td>81.5</td>
<td>16.7</td>
<td>16.3</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>13</td>
<td>0.932</td>
<td>0.970</td>
<td>83.0</td>
<td>79.6</td>
<td>18.0</td>
<td>17.0</td>
</tr>
<tr>
<td>Korea (Republic of)</td>
<td>23</td>
<td>0.916</td>
<td>0.936</td>
<td>86.0</td>
<td>79.9</td>
<td>15.9</td>
<td>17.0</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>62</td>
<td>0.81</td>
<td>0.981</td>
<td>82.9</td>
<td>77.7</td>
<td>16.4</td>
<td>15.4</td>
</tr>
<tr>
<td>Malaysia</td>
<td>62</td>
<td>0.81</td>
<td>0.972</td>
<td>78.3</td>
<td>74.2</td>
<td>14.0</td>
<td>13.3</td>
</tr>
<tr>
<td><strong>Very high human development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HIGH HUMAN DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thailand</td>
<td>79</td>
<td>0.777</td>
<td>1.008</td>
<td>80.9</td>
<td>73.5</td>
<td>15.8</td>
<td>14.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>107</td>
<td>0.718</td>
<td>0.940</td>
<td>74.0</td>
<td>69.6</td>
<td>13.7</td>
<td>13.5</td>
</tr>
<tr>
<td>Philippines</td>
<td>107</td>
<td>0.718</td>
<td>1.007</td>
<td>75.5</td>
<td>67.3</td>
<td>13.5</td>
<td>12.8</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>117</td>
<td>0.704</td>
<td>0.997</td>
<td>79.5</td>
<td>71.3</td>
<td>12.9</td>
<td>12.5</td>
</tr>
<tr>
<td>East Asia and the Pacific</td>
<td>0.961</td>
<td>78.0</td>
<td>73.1</td>
<td>13.7</td>
<td>13.6</td>
<td>7.7</td>
<td>8.4</td>
</tr>
<tr>
<td><strong>High human development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: UNDP (2020).

Malaysia’s Gender Development Index (GDI) value is 0.972, falling short of the average of 0.981 for countries within the ‘very high’ human development category. In Table 1.2, it is noteworthy to see ASEAN countries which are in the ‘high’ human development category such as Thailand, the Philippines, and Vietnam, have much higher GDI value than Malaysia, coming in with 1.008, 1.007 and 0.997 respectively. Singapore, which is ranked 11th in the ‘very high’ human development category, has a GDI score of 0.985.

In the Gender Inequality Index (GII), Malaysia performs slightly better coming in at 59 out of 189 countries, with a value of 0.253, in the ‘very high’ human development category. Based on Table 1.3, when compared to the average value of 0.173, Malaysia still has much room for improvement, especially in the indicators for maternal mortality, share of seats in Parliament, population with secondary education, and labor force participation rate. It is noteworthy that Vietnam has a GII value 0.296 and comes in 65th of all countries, which puts the country way above its current category of ‘high’ human development.
Table 1.3: Malaysia’s GII for 2019 relative to selected countries and groups

<table>
<thead>
<tr>
<th>Country</th>
<th>HDI rank</th>
<th>Value</th>
<th>Gender Inequality Index</th>
<th>Maternal mortality ratio (deaths per 100,000 live births)</th>
<th>Adolescent birth rate (births per 1,000 women ages 15-19)</th>
<th>Share of seats in parliament (% held by women)</th>
<th>Population with at least some secondary education (% ages 25 and older)</th>
<th>Labour force participation (% ages 15 and older)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>1</td>
<td>0.045</td>
<td>6</td>
<td>2</td>
<td>5.1</td>
<td>40.8</td>
<td>95.4</td>
<td>94.9</td>
</tr>
<tr>
<td>Finland</td>
<td>11</td>
<td>0.040</td>
<td>7</td>
<td>3</td>
<td>3.8</td>
<td>47.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Singapore</td>
<td>11</td>
<td>0.045</td>
<td>12</td>
<td>8</td>
<td>3.5</td>
<td>23.0</td>
<td>78.1</td>
<td>85.1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>13</td>
<td>0.118</td>
<td>31</td>
<td>7</td>
<td>13.4</td>
<td>28.9</td>
<td>78.0</td>
<td>79.3</td>
</tr>
<tr>
<td>Korea (Republic of)</td>
<td>23</td>
<td>0.064</td>
<td>11</td>
<td>11</td>
<td>1.4</td>
<td>16.7</td>
<td>80.4</td>
<td>95.5</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>62</td>
<td>0.288</td>
<td>62</td>
<td>27</td>
<td>53.5</td>
<td>45.6</td>
<td>55.4</td>
<td>53.3</td>
</tr>
<tr>
<td>Malaysia</td>
<td>62</td>
<td>0.253</td>
<td>59</td>
<td>29</td>
<td>13.4</td>
<td>15.5</td>
<td>72.2</td>
<td>76.5</td>
</tr>
<tr>
<td>Very high human development</td>
<td>0.173</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Thailand</td>
<td>79</td>
<td>0.359</td>
<td>80</td>
<td>37</td>
<td>44.9</td>
<td>14.1</td>
<td>43.5</td>
<td>48.6</td>
</tr>
<tr>
<td>Indonesia</td>
<td>107</td>
<td>0.480</td>
<td>121</td>
<td>177</td>
<td>47.4</td>
<td>17.4</td>
<td>46.8</td>
<td>55.1</td>
</tr>
<tr>
<td>Philippines</td>
<td>107</td>
<td>0.430</td>
<td>104</td>
<td>121</td>
<td>54.2</td>
<td>28.0</td>
<td>75.6</td>
<td>72.4</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>117</td>
<td>0.296</td>
<td>65</td>
<td>43</td>
<td>30.9</td>
<td>26.7</td>
<td>66.4</td>
<td>78.2</td>
</tr>
<tr>
<td>East Asia and the Pacific</td>
<td>0.324</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>High human development</td>
<td>0.340</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

Source: UNDP (2020).

**Human Capital Index**

In Malaysia, the Human Capital Index (HCI) for girls is higher than for boys. According to Table 1.4, the 2020 HCI data shows that a girl born in Malaysia today will be 63% as productive when she grows up as she could be if she enjoyed complete education and full health. When compared to a boy born in Malaysia, it is only 59 percent. The overall HCI score Malaysia is 0.61, placing the country at third highest among South East Asian neighbors, see Figure 1.1. Between 2010 and 2020, the HCI value for Malaysia increased from 0.58 to 0.61.

Table 1.4: Malaysia’s HCI Values by Components By Gender (2016-2020)

<table>
<thead>
<tr>
<th>Component</th>
<th>Boys</th>
<th>Girls</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCI</td>
<td>0.59</td>
<td>0.63</td>
<td>0.61</td>
</tr>
<tr>
<td>Survival to Age 5</td>
<td>0.99</td>
<td>0.99</td>
<td>0.99</td>
</tr>
<tr>
<td>Expected Years of School</td>
<td>12.3</td>
<td>12.7</td>
<td>12.5</td>
</tr>
<tr>
<td>Harmonized Test Scores</td>
<td>439</td>
<td>452</td>
<td>446</td>
</tr>
<tr>
<td>Learning-adjusted Years of School</td>
<td>8.6</td>
<td>9.2</td>
<td>8.9</td>
</tr>
<tr>
<td>Adult Survival Rate</td>
<td>0.84</td>
<td>0.92</td>
<td>0.88</td>
</tr>
<tr>
<td>Not Stunted Rate</td>
<td>0.79</td>
<td>0.79</td>
<td>0.79</td>
</tr>
</tbody>
</table>


**Global Gender Gap Index**

Malaysia is ranked 106 out of 153 countries and is the second-lowest scorer in ASEAN, coming in ahead of Myanmar. Malaysia comes in at 13th position out of 20 countries in the EAP region, ahead of PRC, Republic of Korea, and Japan. Malaysia performed relatively well in the educational and health measures, poorly in economic participation and opportunity, and very poorly in political empowerment, see Table 1.5. When compared to improvements achieved by countries in the region especially Indonesia, Republic of Korea and the Philippines, Malaysia’s overall gender gap score has been fairly stagnant in the last 14 years, moving with a small range of 0.02, as seen in Figure 1.2.
Table 1.5: Global Gender Gap Index, 2020

<table>
<thead>
<tr>
<th>Countries</th>
<th>Rank (out of 153 countries)</th>
<th>Gender Gap Score</th>
<th>Economic Participation and Opportunity</th>
<th>Educational Attainment</th>
<th>Health &amp; Survival</th>
<th>Political Empowerment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>104</td>
<td>0.677</td>
<td>0.639</td>
<td>0.989</td>
<td>0.974</td>
<td>0.108</td>
</tr>
<tr>
<td>Philippines</td>
<td>16</td>
<td>0.781</td>
<td>0.792</td>
<td>0.999</td>
<td>0.979</td>
<td>0.353</td>
</tr>
<tr>
<td>Singapore</td>
<td>54</td>
<td>0.724</td>
<td>0.782</td>
<td>0.990</td>
<td>0.965</td>
<td>0.159</td>
</tr>
<tr>
<td>Thailand</td>
<td>75</td>
<td>0.708</td>
<td>0.776</td>
<td>0.991</td>
<td>0.978</td>
<td>0.086</td>
</tr>
<tr>
<td>Indonesia</td>
<td>85</td>
<td>0.700</td>
<td>0.685</td>
<td>0.970</td>
<td>0.974</td>
<td>0.172</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>87</td>
<td>0.700</td>
<td>0.751</td>
<td>0.982</td>
<td>0.942</td>
<td>0.123</td>
</tr>
<tr>
<td>China</td>
<td>106</td>
<td>0.676</td>
<td>0.651</td>
<td>0.973</td>
<td>0.926</td>
<td>0.154</td>
</tr>
<tr>
<td>South Korea</td>
<td>108</td>
<td>0.672</td>
<td>0.555</td>
<td>0.973</td>
<td>0.980</td>
<td>0.179</td>
</tr>
</tbody>
</table>

Source: World Economic Forum, 2020

• Women, Business, and the Law Index

Malaysia performed very poorly, with a score of 50 and coming in at the bottom 20th percentile out of 190 economies, in the World Bank’s Women, Business and the Law (WBL) 2021 Index. Malaysia underperforms when compared to its regional comparators, as show in Figure 1.3. The index includes 190 economies, with an average score of 95.1 for OECD high-income economies and an average score of 71.9 for economies in the EAP region. The WBL index evaluates legal frameworks for women’s economic participation, and examines laws and regulations for discriminatory impact on women, emphasizing institutional and legal barriers to mobility, workplace, pay, marriage, parenthood, entrepreneurship, assets, and pension.

The main factors contributing to Malaysia’s low score are in three key areas; namely,

i) Having Children,

ii) Starting a Job, and

iii) Getting Paid, with scores of 0, 50, and 50 respectively.
Based on Figure 1.4, the low scores reflect the civil labor and gender laws in the country that are applicable to all Malaysians. Regarding Having Children, legally mandated social protection and support in areas such as maternity, paternity, and parental leave, dismissal of pregnant women, and paid leave is below international norms. For the indicators Starting a Job and Getting Paid, Malaysia scores poorly due to the absence of laws that mandate nondiscrimination in employment based on gender and equal remuneration for work of equal value, as well as the absence of criminal penalties or civil remedies for sexual harassment in employment. The other 2 indicators with low scores are Going Places and Getting Married, due to provisions in Islamic Law, which are applicable to Muslims only.

FIGURE 1.4: Malaysia’s scores in the 8 indicator areas under the WBL Report 2021

While Malaysia has improved from a starting score of 41.9 in 1971, it has not kept up as compared to rapid progress made by its SEA neighbors, even those from lower income countries. For example, Lao PDR has made strong gains in almost all dimensions in the 50-year period, while Malaysia made only modest gains in the dimensions of workplace, marriage and assets. Notably Malaysia has made no gains in the areas of pension, mobility, pay, parenthood (disappointingly still at “0”), and entrepreneurship, as shown in Figure 1.5 below.

FIGURE 1.5: Malaysia’s and Lao PDR’s Performance on Women, Business and Law Index, 1971 and 2020
• Social Institutions and Gender Index

In the Social Institutions and Gender Index (SIGI), the report reiterated the previous findings, highlighting that Malaysia should focus on improving attitudes towards reproductive autonomy, gender violence and harassment, and improving political representation and participation. Similar to previous SIGI reports, Malaysia was not classified due to lack of a full dataset. Based on the data available, the country has overall poor-to-moderate performance on gender parity, with highly variable scores across the different sub-factors. The OECD Development Centre’s SIGI provides measures of gender-based discrimination, covering the four dimensions of discriminatory social institutions (including family discrimination), restricted physical integrity, restricted access to productive and financial resources, and restricted civil liberties. The index measures across 180 countries and territories.

Table 1.6: Social Institutions and Gender Index, 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 SIGI Score</th>
<th>Discrimination in the family</th>
<th>Restricted physical integrity</th>
<th>Restricted access to productive and financial resources</th>
<th>Restricted civil liberties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>N/A</td>
<td>81</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Philippines</td>
<td>53</td>
<td>67</td>
<td>26</td>
<td>67</td>
<td>45</td>
</tr>
<tr>
<td>Singapore</td>
<td>27</td>
<td>27</td>
<td>15</td>
<td>12</td>
<td>49</td>
</tr>
<tr>
<td>Thailand</td>
<td>35</td>
<td>33</td>
<td>23</td>
<td>25</td>
<td>57</td>
</tr>
<tr>
<td>Vietnam</td>
<td>25</td>
<td>23</td>
<td>31</td>
<td>32</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: OECD 2019
(1.2) Institutional Frameworks

• International Obligations

Since 1995, Malaysia has endorsed or ratified international human rights treaties, and joined a number of international and ASEAN agreements on the promotion of gender equality and women’s empowerment.

Table 1.7: Malaysia’s Participation in International Treaties related to Gender Equality

<table>
<thead>
<tr>
<th>No</th>
<th>Treaty</th>
<th>Adopted by UN</th>
<th>Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>UN Security Council Resolution 1325 (UNSCR 1325) on women, peace and security</td>
<td>2000</td>
<td>No national action plan</td>
<td>Requires countries to submit a national action plan on the protection of women in armed conflict.</td>
</tr>
<tr>
<td>6</td>
<td>International Convention on the Rights of the Child (UNCRC)</td>
<td>1989</td>
<td>Ratified in 1995</td>
<td>Legislation of Child Act 2001; withdrew reservations to Articles 1, 13, and 15 in 2010; acceded to both UNCRC optional protocols in 2011</td>
</tr>
</tbody>
</table>

Although Malaysia ratified the CEDAW in 1995, its progress towards the implementation has been slow. Malaysia has still not ratified the optional protocol to CEDAW, which allows for a communications (complaints) procedure as well as an inquiry procedure related to violations of rights protected under the CEDAW. Various women’s rights NGOs met with UN officials during the review of the 2016 report to raise issues related to discrimination under Islamic law, the lack of conveyance of citizenship to foreign husbands of Malaysian women, and inadequate laws on martial and intimate partner assault (UNHCR 2018). The NGOs have also participated in the Universal Period Review (UPR) process of the UN in tracking progress of the CEDAW.

Malaysia has also endorsed the Beijing Declaration in 1995 - a declaration to focus on gender inequalities as a global priority in all 167 participating nation states of the General Assembly. Similar to the CEDAW implementation, Malaysia’s progress has been slow and incomplete. UN Women launched a new initiative “Planet 50-50 by 2030: Step It Up for Gender Equality” in September 2015 and is urging governments to pledge action (for similarly themed initiatives). More than 93 governments, including Malaysia’s, have made commitments to the initiative. Malaysia pledged to work on female labor force participation and increase support for single mothers.

2 See UN Women website: http://www.unwomen.org/en/get-involved/step-it-up/commitments
Malaysia also participated in the ASEAN Regional Action Plan for Elimination of Violence against Women, a plan that was adopted in 2016 and covers the period from 2016-2025 (in alignment with the ASEAN Community Blueprint). The ASEAN Regional Action Plan conducted a Phase 1 Mid Term Review, executed in 2019 (a review is done once every five years). In July 2020, the ASEAN Commission on the Promotion and Protection of the Rights of Women and Children convened a meeting with representatives of the member states, which confirmed continued implementation of the Action Plan, as well as further efforts, including the ASEA Regional Study on Women, Peace and Security, and the Bohol Trafficking-in-Persons Work Plan. A Phase 2 Mid Term Review is underway to validate the progress of ASEAN member states.

During the period of the MDGs from 2000 to 2015, Malaysia made strides in “Goal #3: Promote Gender Equality and Empower Women” by achieving gender parity in primary education and better than parity in secondary and tertiary education; increasing the female labor force participation rate in the non-agricultural sector; and an increasing proportion of women contesting in national Parliament (10.4% in 2014). It has continued to build on those achievements with a national commitment to SDGs, with progress updated in its 2017 Voluntary National Review Report, achieving 54.1% female labor force participation as of 2015, increasing female representation in parliament to 11.3%, and encouraging flexible-working arrangements to enable more women to join the workforce. Malaysia has also mainstreamed SDG planning into its own national planning process by mapping national development goals with the SDGs. Malaysia has committed to present an updated Voluntary National Review on the SDGs, planned for July of 2021.

**Legislation**

In the period 2017-2020, efforts intensified toward drafting and tabling new and amended legislations related to gender in Parliament. These legislations include the new Gender Equality Bill; Sexual Harassment Bill, labor law reforms which include amendments in the Employment Act, Industrial Relations, and Trade Union Acts; and legislation against child marriage.

**A Gender Equality Bill was developed in 2017 by the Ministry of Women, Family and Community Development with the cooperation of UNDP Malaysia.** The Bill was initiated partially in response to the CEDAW commitment and was drafted by the Joint Action Group for Gender Equality. The Gender Equality Bill 2017 contains 70 sections and XI parts. The aims of the Bill are to

- to prohibit discrimination of persons based on gender,
- to establish a Gender Equality Commission,
- to establish a Gender Equality Tribunal, and
- to implement CEDAW.

Progress seems to have stalled again on this front despite numerous calls by civil society to continue the work. As of mid-February 2020, the government announced that the Bill was still being drafted.

There were plans for a comprehensive labor law reforms benefiting gender equality which were part of the reform agenda in 2018-2020. These included extensive amendments to the Employment Act of 1955 which would have meant legally specified gender equality in employment, and mandated social protection and support for parenthood. The specific proposed amendments include mandated non-

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3 Please see Malaysia’s MDG Report 2015 Summary (Scorecard, page 31-32) for more information on Goal #3 and various other goals related to gender and female empowerment.
discrimination in employment based on gender and equal remuneration for work of equal value, allowing women to undertake below ground and night work, introducing criminal penalties or civil remedies for sexual harassment in employment, increased maternity leave in line with international norms, introducing paid paternity leave, and prohibiting the dismissal of pregnant women.

There was a specific proposed amendment allowing flexible working arrangements and recognizing these as employment, which will greatly benefit all workers regardless of gender in securing and keeping jobs during the COVID-19 pandemic. The recognition as employees would legally accord them a minimum level of social protection and pensions.

To ensure comprehensive labor law reforms and ensure there are no loopholes, two other Acts need to be amended. They are

i) the Industrial Relations Act 1967, which applies to all employees in Malaysia and governs the relations between employers and employees (including trade unions) and the prevention and settlement of disputes, and

ii) the Trade Unions Act 1959, which regulates the registration and constitution of trade unions and the rights and liabilities of trade unions.

The states of Sabah and Sarawak in East Malaysia have equivalent legislation (with some differing provisions) that cover similar categories of employees.

Out of the three Acts, the Industrial Relations Act has been amended and unanimously passed in Parliament in December 2019. These amendments provided more access to the Industrial Relations Court for unfair dismissal cases, and will help ensure protection of workers’ rights are at par with international standards established by the International Labor Organization. The amended Industrial Relations Act has also abolished the employers’ approval for women to work at night or work underground.6

A draft bill on sexual harassment has been in the making for over 20 years, led by the Ministry of Women, Family and Community Development (MoWFCD). In 2018, MoWFCD released a set of guidelines for private sector on handling sexual harassment in the workplace.7 The draft Bill includes:

- Improving the definition of sexual harassment to encompass public spaces and not just work environments
- Widening coverage so more people are protected from sexual harassment
- Getting public and private sectors to take proactive measures to combat sexual harassment through having and disclosing their own sexual harassment policies
- Setting up of a Tribunal to handle sexual harassment cases
- Employees/employers/individuals within any public or private organization can hold their companies accountable to the Tribunal should the organizations not have sexual harassment policies or prevention and redress mechanisms
- Enhancing protection and access to justice

Changes to the Government in early 2020 was disruptive to ongoing efforts, effectively stalling the plans to table the proposed changes in Parliament in 2020. AWAM launched an advocacy campaign in November 2020 to promote awareness of the Bill, and obtained over 17,000 signatures ranging from the general public to Members of Parliament. (AWAM 2020, Campaign).

7 Please see Appendix 4 – MoWFCD Guidelines for Handling Sexual Harassment in Workplaces (Pekeliling PP 5 2018)
Chapter 1: Country Overview

A total of 48% of Malaysians have experienced acts of stalking in the past one year. In a survey conducted in 2020 by the Women’s Aid Organisation (WAO) and Vase.ai, this share was recorded in survey sampling of 1,008 people. In 2020, a multi-stakeholder committee comprising ministries/agencies and NGOs prepared a proposal to address the issue of stalking in Malaysia. The proposal outlines a process to amend the Penal Code and Criminal Procedure Code to make stalking a crime. Although there are existing laws related to stalking, they do not adequately address issues of stalking. The existing laws include the Domestic Violence Act 1994, the public nuisance laws (Penal Code and CPC) and other offences in the Penal Code and Communications and Multimedia Act 1998.

National Policy and Budget

Malaysia has mainstreamed the topic of socioeconomic empowerment of women in its 5-year Economic Development Plans. Malaysia has a long tradition of establishing 5-year Economic Development Plans to guide the country’s development priorities and prioritize budget allocations. All 17 SDGs, including Goal 5 Gender Equality, are aligned with Malaysia’s 5-year National Development Plan. This means that there had been and will be enhanced alignment of resources, including budget and manpower, capacity building, and policies, to ensure the intentions and action plans are implemented. The SDGs mapping exercise began with the Eleventh Malaysia Plan (11MP), 2016-2020, then continued with the Mid-Term Review of 11MP, 2018-2020, and subsequently with the Twelfth Malaysia Plan (12MP to be announced), 2021-2025, and the future Thirteenth Malaysia Plan (13MP), 2026-2030.

In the Tenth Malaysia Plan (2011-2015), four key programs were outlined for women:

- Increasing women’s labor force participation
- Increasing the number of women in decision-making positions
- Improving the provision of support for women in challenging circumstances (such as widows, single mothers, low-income)
- Eliminating all forms of discrimination against women with the aim to empower women politically, economically, and socially.

In the Eleventh Malaysia Plan (2016-2020), four key programs were outlined for women:

- Creating a more conducive working environment (including work-life balance, flexible work arrangements)
- Increasing the number of women in key decision-making positions (carried over from 10MP)
- Improving female labor force participation (to 59%) (carried over from 10MP)
- Improving performance in the Family Wellbeing Index (to 8/10)

Due to the change in Government in 2018, there was a Mid-Term Report of the Eleventh Malaysia Plan, with a review of the progress achieved in the first two years of the Plan and the setting of new priorities for the last two years of the Plan. In this Mid-Term Report, the gender agenda was included into two of the six pillars, under the strategic areas of ‘Enhancing Inclusive Development’ and ‘Wellbeing and Empowering Human Capital’ to increase female participation in the labor force. Due to uncertainties in the current Malaysian Government, the 12th Malaysia Plan 2021-2025 (12MP) is yet to be tabled in Parliament and has been rescheduled for the next Parliamentary sitting in July 2021.

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8 See survey results Understanding Malaysians’ Experiences of Stalking, https://vase.ai/resources/anti-stalking/
9 See Tenth Malaysia Plan (2011-2015), Strategy 4: Develop World-Class Human Capital
10 See Eleventh Malaysia Plan (2015-2020), Strategic Thrust #1: Enhancing Inclusiveness Towards an Equitable Society
Malaysia Budget 2021 announced initiatives consistent with the United Nations’s 17 Sustainable Development Goals which include Goal 5 Gender Equality. In addressing the impact of COVID-19 and the lockdown on the economy impacting jobs and people, Budget 2021 has a strong focus on social protection, in particular childcare support. A large allocation of RM 170 million was given to set-up, maintain, and repair early childhood and care centers to help alleviate the cost of living pressures for the B40 in urban areas. The supplementary budgets that were approved by Parliament were significantly focused on alleviating economic hardship for the poor.

Table 1.8: Summary 2018-2021 Budget allocations and policy priorities related to women agenda

<table>
<thead>
<tr>
<th>Budget</th>
<th>Economic Opportunities (Employment, Entrepreneurship)</th>
<th>Social Development (Education, Childcare, Health)</th>
<th>Political Development (Leadership, Legislation)</th>
</tr>
</thead>
</table>
| Budget 2018 “Women Empowerment Year” | • Amanah Ikhtiar Malaysia, with majority women borrowers, an additional RM200m (total RM2.7b for 400K borrowers)  
• MyWin training and entrepreneurship programs – RM20m  
• Career break returnees – tax exemption for 12 months | • All new office buildings must have childcare centees (starting with KL)  
• Allocation $150 mil (RM654m) for preschools, 9 PERMATA centers, and other schools  
• In government-linked companies (GLCs): Flexible work arrangement (FWA), shorter hours for pregnant women, childcare centers, children education assistance  
• In public sector: FWA 1 day/week for medical officers, pregnant women 5 months and above can leave 1 hour early, maternity leave increases from 300 to 360 days for carer (max 90 days/year) | 30% of women on board and leadership roles for government-linked and investment companies (GLCs, GLICs) + statutory bodies |
| Budget 2019 New government announced austerity measures to manage fiscal deficit | • New pension fund for housewives may participate in EPF (pensions) i-SURI contribution scheme. Government will contribute RM40/month. Allocation of RM45m.  
• Review labor laws to amend discriminatory practices. | • Health: free mammogram screening, Human Papilloma Virus (HPV) vaccinations, Pap Smear tests, benefitting up to 70,000 women - RM20m  
• 50 childcare facilities in government buildings, allocation RM10m  
• Government continued to encourage private sector towards providing equal employment opportunities for women. | • Continued commitment to increasing participation of women - 30% target at leadership levels in companies and organizations. |
<table>
<thead>
<tr>
<th>Budget 2020</th>
<th>Economic Opportunities (Employment, Entrepreneurship)</th>
<th>Social Development (Education, Childcare, Health)</th>
<th>Political Development (Leadership, Legislation)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget 2020</strong></td>
<td>• Allocation of RM500 million in guarantee facility launched for women entrepreneurs</td>
<td>• RM30 million for more preschools, especially in hospitals and schools</td>
<td>• Review of the Employment Act 1955 (covering maternity leave, sexual harassment, and discrimination)</td>
</tr>
<tr>
<td>“Driving Growth and Equitable Outcomes towards Shared Prosperity”</td>
<td>• RM200 million fund for women entrepreneurs, with loans of up to RM1 million per SME (2% annual interest subsidy)</td>
<td>• Individual tax relief for fees paid to nurseries and kindergartens will be increased from RM1,000 to RM2,000.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Women@Work - 33,000 job opportunities per year for women who have stopped working for more than a year and are between 30-50 years-old.</td>
<td>• RM80 million allocation for repair and maintenance of 67 various institutions under the Department of Social Welfare including child care, disabled and elderly centers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Wage incentive RM500 per month for two years for women returning to work + hiring incentive RM300 per month for two years.</td>
<td>• RM10 million to promote women in sports and nurture the next generation of world-class sportswomen</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Income tax exemption for women who return to work after career break be extended until 2023</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• i-SURI (housewives) additional coverage under SOCSO (RM20m)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplementary Budget 2020</td>
<td>• RM700m Microcredit Scheme – open to preschool operators</td>
<td>• Incentives to encourage child care centers to comply with the new normal, and to incentivize certification of early education practitioners</td>
<td>Relevant articles: 2(1), 3, 14, 16 and 23(4).</td>
</tr>
<tr>
<td>– addressing impacts of COVID-19</td>
<td>• BizWanita-i Syarikat Jaminan Kredit Malaysia Berhad (CGC) – for payment up to RM300K</td>
<td>• Individual tax exemption for childcare expenses, up to RM3000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Sukuk Prihatin – RM500m—women micro entrepreneurs prioritized</td>
<td>• e-Baucher online booking of carers for children</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Micro Financing Scheme: RM50 million out of RM400 million earmarked for women</td>
<td>• Social assistance to vulnerable groups such as single mothers (RM300/one-off)</td>
<td></td>
</tr>
</tbody>
</table>
## Budget 2021

**Addressing COVID-19 impacts: priority to continue stimulus support**

### Economic Opportunities (Employment, Entrepreneurship)
- Islamic Economic Development Foundation to support Islamic pawnbroking through Ar-Rahnu BizNita (RM50m)
- Training programs in marketing and business technical guidance for more than 2,000 women entrepreneurs under the Micro Entrepreneurs Business Development Programs, BizMe - program for Bumiputera women’s contractor - government contracting.

### Social Development (Education, Childcare, Health)
- COVID-19 One Stop Social Support Centre for domestic abuse victims, divorce (WAO, AWAM) RM21m
- Early childhood education programs by the Community Development Department or KEMAS -- fund Supplementary Food Assistance, Per Capita
- Assistance, maintenance, and repair for ECCE and preschools (RM170m)
- Community Centers as transit centers for children to attend after school (RM20m)
- RM20 million matching grant for companies to set up childcare centers on premises
- Childcare in government buildings, hospital for frontline workers RM30m
- Financial Assistance increased from RM100 per child with a maximum of RM450 per family, to RM150 per child aged 7 to 18 years, or RM200 per child aged 6 years and below with a maximum of RM1,000 per family
- Cervical cancer and mammogram screenings RM10m

### Political Development (Leadership, Legislation)
CHAPTER 2

Human Endowment
Key Findings

- In education, Malaysia has achieved gender parity and in the last two decades, reversed gender gaps in enrolment at all educational levels. The reverse gender parity index widens at the upper secondary and tertiary levels.

- However, Malaysia’s female enrolment rates at the secondary and tertiary levels are below regional and “aspirational” countries. This data also raises questions on boys’ enrolment and completion rates at the secondary and tertiary levels.

- In terms of education outcomes, Malaysian girls have consistently outperformed boys, particularly after 2007, in composite learning outcomes as captured by international standardized tests.

- Malaysian girls outnumber boys in all fields of study except one – in the field of engineering, manufacturing, and construction – with a GPI of 0.8. This is a significant progress as the gender gap has narrowed significantly over the last 30 years.

- In health, Malaysia has made significant strides in improving health outcomes for women in its first 40 years since independence, and does well in terms of broad indicators of female health: maternal mortality, female life expectancy, and adolescent health. Improvement remains for reproductive rights and fertility.

- Malaysia is projected to reach an aging society by 2030, largely in part due to the decline in the total fertility rate, accompanied by a sustained rise in life expectancy, especially for women.

- There is a rising case of non-communicable diseases with key causes of death among women being pneumonia, heart disease, cerebrovascular disease, breast cancer, and diabetes mellitus. There is also a higher incidence of obesity among Malaysian women as compared to men, which lends itself to higher risk of contracting non-communicable diseases such as hypertension.

- On mental health, women are more likely than men to experience depression, with rates at 2.6% versus 2.0% respectively, based on the 2019 National Health Morbidity Survey. In light of the ensuing COVID-19 pandemic and the increased triple burden of care expected from women, this incidence may be higher.
(2.1) Education

• Overall
Based on Budget 2021, the Malaysian Government invests approximately 20% of the total budget in education and higher education. This total amount includes operating and development expenditures for two Ministries, which are the Ministry of Education with an allocation of RM50 billion ($12 billion) at 15.5%, and the Ministry of Higher Education with RM14.4 bil ($3.5 bil) at 4.8%. Based on Figure 2.1, the Ministry of Education commands the largest allocation among all Ministries, while the Ministry of Higher Education comes in 6th. The Ministry of Health comes in third with an allocation of RM31.9 billion ($7.7 billion).

**FIGURE 2.1: Total Expenditure by selected Ministries, 2020 and 2021**

Ministry of Housing & Local Government
Ministry of Agriculture % Food Industries
Ministry of Works
Ministry of Rural Development
Ministry of Higher Education
Ministry of Defence
Ministry of Home Affairs
Ministry of Health
Ministry of Finance
Ministry of Education

Source: Ministry of Finance

• Education Enrolment
Overall, Malaysia has achieved universal enrolment at the primary education level, and dramatically increased enrolment for pre-primary and tertiary education levels since 2011. In the Malaysia Education Blueprint, it recognized the importance of pre-schools, with policies announcements and budgets allocated to the Ministry of Education to increase the provision and accessibility of pre-schools. However, the enrolment rate for secondary school has been decreasing since 2015. When compared to its aspirational countries, Malaysia still has some way to go in increasing its secondary and tertiary enrolment rate. Malaysia has yet to make enrolment in lower secondary schools universal.

**FIGURE 2.2: Overall enrollment trends, by level of education (Gross)**

**FIGURE 2.3: GPI by Level of Education over Time (2000 – 2018)**

Source: UNESCO Institute for Statistics (UIS)
Source: UNESCO Institute for Statistics
In terms of increasing access for girls in schools, Malaysia has achieved gender parity and then reversed gender gaps in enrolment at all educational levels. At the primary level, there has been a very slight increase in the gender parity index (GPI) favoring girls since 2008, see Figure 2.3. At the secondary level, the GPI has been slightly higher for girls since 2000. The biggest movement is seen in the tertiary GPI, with a GPI of 1.06 in 2000, and rising to as high as 1.4 in 2014, and decreasing to 1.23 in 2019.

Malaysia does relatively well, when compared to regional neighbors and to countries in EAP (excluding high-income). It achieved gender parity in 1985, and there has even been a slight reverse gender gap since 1985 till current, albeit there has a small decrease since 2015. When compared to the Republic of Korea, which has experienced slight fluctuations in the gender parity for girls and boys in schools, Malaysia has managed to maintain a steady level above 1.0.

Malaysia has made significant strides in the last decade in increasing its overall gross pre-primary enrolment ratio of 98.1%, as compared to 79.1% in 2010, and achieving a reverse gender parity gap. The pre-primary enrolment rate for girls is remarkable at 99.8%, well above the global average of 61.2%, in 2019. The reverse gender parity is high, when compared with the boys’ pre-primary enrolment at 96.5%.

Malaysia Country Gender Note 2021
In primary education, Malaysia has consistently achieved near-universal enrolment for its children in schools, rising steadily since 2010, and with a gender parity index of 1. This is a healthy education enrolment and gender indicator for Malaysia, with a female net enrolment ratio of 99.8% in 2014, which is higher than the global average of 89.4% and even higher than the high-income nation average of 96.3%.\textsuperscript{12}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{primary_enrolment_rates.png}
\caption{Primary Enrolment Rates, by Gender and Year (2010-2017)}
\end{figure}

Source: UNESCO Institute for Statistics

In secondary schools, there are more girls enrolled than boys, with a gender parity index of 1.08 in 2019. Malaysia consistently has a higher percentage of girls than boys enrolled in secondary school over the last 20 years, achieving a gross enrolment rate of 87% for girls and 80.7% for boys in 2019. Malaysia follows the emerging worldwide trend with more girls in secondary level education and doing better, which may highlight an issue to be addressed in terms of retaining boys in schools. This ‘lost boys’ syndrome is potentially an area of future study to understand the issues and develop appropriate policy interventions.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{secondary_enrolment_rates.png}
\caption{Secondary Enrolment Rates, by Gender and Year (2010-2019)}
\end{figure}

Source: UNESCO Institute for Statistics

\textsuperscript{12} Based on 2018 data presented in the World Bank Data Bank, 2020.
Malaysia’s gross secondary enrolment rates for females at 87% is much lower than the aspirational high-income countries average of 104.4%. For its level of income, Malaysia’s gross secondary school enrolment rate is considered low when compared to the EAP average of 86.6%, and much lower than regional comparators such as the Republic of Korea at 98% and Singapore at 105%. While gender parity is higher for females than males, Malaysia still has some ways to go to achieve a higher enrolment rate for both boys and girls in secondary schools.

**Table 2.1: Net Secondary Enrolment Rates for Females by Country, Region**

<table>
<thead>
<tr>
<th>Country</th>
<th>Gross Enrolment Rate for female, at secondary school level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>87%</td>
<td>2019</td>
</tr>
<tr>
<td>Singapore</td>
<td>105%</td>
<td>2018</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>98%</td>
<td>2018</td>
</tr>
<tr>
<td>Thailand</td>
<td>113%</td>
<td>2019</td>
</tr>
<tr>
<td>East Asia and Pacific (average)</td>
<td>86.6%</td>
<td>2019</td>
</tr>
<tr>
<td>High income countries (average)</td>
<td>104.4%</td>
<td>2019</td>
</tr>
</tbody>
</table>

Source: World Bank Data Portal 2020

Girls are staying longer in schools than boys, with the school life expectancy for girls at 13.44 years and for boys at 12.46 years. Much fewer girls are out of school each year as compared to boys at every age group for children (ages between 6-11 years), and adolescents (ages between 12-14 years), except for one anomalous year in 2014, where the number of out-of-school female children was higher than male by around 8,300 children. The overall number of out-of-school children decreased sharply by 66% between 2010 and 2013, and rose slightly thereafter. For adolescents, the trend has been increasing since 2013, with 150,541 in 2013 and increasing to 196,630 in 2015. The large number of boys who are out-of-school, or ‘the lost boys’ syndrome, is a cause of concern, and it will be important to understand the root causes why they are dropping out, as this will have a long-term impact for their well-being, as well as that of their families, society, and country as a whole.

**FIGURE 2.8 : Number of Out-of-School Children and Adolescents by Gender and Year**

Source: UNESCO Institute for Statistics
At the tertiary level, Malaysia records a strong performance with a gross female enrolment rate at 48.7% versus 37.7% for gross male enrolment rate in 2019. Malaysia has recorded a strong increase in the overall gross enrolment ratio for tertiary level education in the last 30 years. Amid the rising trend, the female tertiary enrolment rate has been consistently higher than the male. The female gross enrolment ratio rose from 43% in 2010 to 51.7% in 2015, and decreased to 48.7% in 2019.

**FIGURE 2.9 : Tertiary Enrolment Rates, by Gender and Year (2010-2019)**

For its level of income, Malaysia’s gross tertiary enrolment rates for females at 48.7% is very low. Malaysia performs poorly even when compared to the EAP average of 51.8%, and specifically so with countries such as Thailand, the Republic of Korea, and Singapore, which have 57.8%, 84.9%, and 95.4% respectively. The average gross tertiary enrolment rate for high-income countries is 84.4%, which is a very long-term target for Malaysia. Recognizing that there are more females than males in tertiary education in Malaysia, the country would need to address structural issues surrounding availability, accessibility, and quality, to significantly boost tertiary education for all.

**Table 2.2 : Gross Tertiary Enrollment Rates for Females in Malaysia and Comparator Countries**

<table>
<thead>
<tr>
<th>Country</th>
<th>GER, female, tertiary</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>48.7%</td>
<td>2019</td>
</tr>
<tr>
<td>Singapore</td>
<td>95.4%</td>
<td>2018</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>84.9%</td>
<td>2018</td>
</tr>
<tr>
<td>Thailand</td>
<td>57.8%</td>
<td>2016</td>
</tr>
<tr>
<td>East Asia and Pacific (average)</td>
<td>51.8%</td>
<td>2019</td>
</tr>
<tr>
<td>High Income countries (average)</td>
<td>84.4%</td>
<td>2019</td>
</tr>
</tbody>
</table>

Source: World Bank Data Portal 2020
• Education Attainment

**International Tests**

Female students outperform male students in composite learning outcomes as captured by international standardized tests. Figure 2.10 illustrates harmonized composite test scores from the most widespread international testing programs, which include the Trends in International Mathematics and Science Study (TIMSS) program, the Progress in International Reading Literacy Study (PIRLS), and the Programme for International Student Assessment (PISA). These tests separately evaluate the performance of students in mathematics, science, and reading, and also allow for the computation of composite test scores capturing learning in all three subjects. The composite test scores show that in Malaysia girls have consistently outperformed boys, particularly after 2007. In 2015, boys on average achieved a value of 463.2 on a globally standardized scale, with a mean of 500 and a standard deviation of 100. On the same scale, girls reached an average value of 472.9. An encouraging note is that the PISA Gender Study found that Malaysian girls' beliefs and perceptions were equally strong about their ability, career aspirations, and desire to take more courses.

**Figure 2.10**: Harmonized composite test scores by gender, 2003–2015

Source: World Bank Education Statistics and TIMSS

Note: Figures are harmonized test scores from major international testing programs. Test scores for 2003, 2007, 2011, and 2015 are from TIMSS and PIRLS, those for 2009 and 2012 are from PISA.

**Figure 2.11**: TIMSS math test scores by gender, 2003–2015

Source: World Bank Education Statistics and TIMSS

**Girls Education in Science, Technology, Engineering, Mathematics (STEM) Subjects**

Malaysia has performed very well with girls outnumbering boys in all fields of study except one, (engineering, manufacturing, and construction), with a GPI of 0.8. This is a significant progress, for the gender gap has narrowed significantly over the last 30 years. When compared to selected OECD countries, Malaysia performs very well as its enrolment ratio for engineering courses is 45% female, versus an enrolment rate of 17.6% to 21.8% for the United Kingdom, the United States, and Canada.
In TVET education, there are more boys than girls in secondary-level TVET, but the gap improves with similar share of female and male students in higher-level TVET. The lower enrolment rate in secondary schools may reflect that there may be gender streaming in the more technically oriented subjects, and the other factor is that girls tend to perform academically better than boys. Gaining quality TVET certification is of growing importance, and demand by the labor market is high. Better information of TVET pathways, career choices, and role models may be a way of increasing female access to the labor market.
(2.2) Health

**Overall**
Since independence, Malaysia has made significant strides in improving health outcomes for women. In terms of maternal health and mortality, as well as in female life expectancy and adolescent health (related to reproductive rights and fertility), Malaysia has become a country in which women’s health issues have made substantial gains. However, there are two emerging areas which will require interventions for women’s health and well-being: first, the impact of COVID-19 on mental and physical health; and second, Malaysia will become an aging nation by 2030.

The substantive gains in women’s basic health issues have been achieved under the Universal Health Care system. The Ministry of Health (MoH) oversees all government efforts to ensure the healthy development of all women, including maternal health, focusing on providing accessible and affordable care through routine visits and examination of mothers and children. The initiatives include family planning; increased professional skills of trained delivery attendants to manage pregnancy and delivery complications; investments in upgrading the quality of essential obstetric care in district hospitals; improved efficiency of referral and feedback systems to prevent delays; close engagement with communities to remove social and cultural constraints and improve acceptability of modern maternal health services; and improved monitoring systems. MOH provides breastfeeding support, maternal health counselling, immunization, and the monitoring of the growth and development of the child. Health education for the parents is carried out in child health clinic sessions. Antenatal care rates are high at 97.4% (for at least one visit), and almost 99% of women deliver within established health institutions.

**Maternal Mortality**
Although Malaysia’s maternal mortality rate has improved significantly since independence, it has stagnated over the last 20 years. The maternal mortality ratio (MMR), measured by the number of maternal deaths per 100,000 live births, decreased from 280 in 1957 to 29 deaths for 100,000 live births. However, when compared to regional comparators, such as Singapore and the Republic of Korea at 8 and 11 respectively, Malaysia still has much room for improvement. As shown in Figure 2.16, the maternal mortality rate in high-income countries is only 11 per 100,000 live births.

Additionally, there are large differences in the MMR at the subnational level across the different states in East and West Malaysia. Based on the 2016 Ministry of Health data in Table 2.3, there is a large increase in the MMR in three states; namely, Sabah, Penang, and Pahang. While it is important to understand the sudden increase in Pahang and Penang, it is also crucial to understand the issues on why there is a continued upward trend in Sabah with an MMR of 57.6 in 2016.

**Figure 2.16**: Maternal mortality ratio for Malaysia and High-Income Countries (per 100,000 live births), 2001-2017

**Table 2.3**: MMR in Malaysia, across States and Years (2012-2016)

<table>
<thead>
<tr>
<th>States</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th><em>AAAR</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>23.2</td>
<td>21.4</td>
<td>22.3</td>
<td>23.8</td>
<td>29.1</td>
<td>+4.6%</td>
</tr>
<tr>
<td>Johor</td>
<td>26.5</td>
<td>20.9</td>
<td>26.5</td>
<td>23.1</td>
<td>26.9</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Kedah</td>
<td>19.2</td>
<td>11.4</td>
<td>27.4</td>
<td>35.3</td>
<td>13.9</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Kelantan</td>
<td>13.5</td>
<td>33.0</td>
<td>28.0</td>
<td>20.5</td>
<td>26</td>
<td>+14.0%</td>
</tr>
<tr>
<td>Melaka</td>
<td>7.0</td>
<td>14.6</td>
<td>34.3</td>
<td>41.2</td>
<td>27.8</td>
<td>+31.8%</td>
</tr>
<tr>
<td>Negeri Sembilan</td>
<td>11.2</td>
<td>34.3</td>
<td>37.5</td>
<td>21.7</td>
<td>5.5%</td>
<td>-13.3%</td>
</tr>
<tr>
<td>Pahang</td>
<td>32.8</td>
<td>18.5</td>
<td>24.4</td>
<td>10.7</td>
<td>36.2</td>
<td>+2.0%</td>
</tr>
<tr>
<td>Perak</td>
<td>23.9</td>
<td>22.6</td>
<td>13.7</td>
<td>33.1</td>
<td>28</td>
<td>+3.2%</td>
</tr>
<tr>
<td>Perlis</td>
<td>24.1</td>
<td>44.4</td>
<td>69.5</td>
<td>0</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Pulau Pinang</td>
<td>21.0</td>
<td>14.0</td>
<td>17.5</td>
<td>27.0</td>
<td>50.5</td>
<td>+19.2%</td>
</tr>
<tr>
<td>Sabah</td>
<td>-</td>
<td>-</td>
<td>17.4</td>
<td>34.7</td>
<td>57.6</td>
<td>+48.4%</td>
</tr>
<tr>
<td>Sarawak</td>
<td>27.8</td>
<td>7.4</td>
<td>14.6</td>
<td>17.6</td>
<td>15.8</td>
<td>-10.7%</td>
</tr>
<tr>
<td>Selangor</td>
<td>17.6</td>
<td>26.2</td>
<td>17.4</td>
<td>19.4</td>
<td>29.6</td>
<td>+11.0%</td>
</tr>
<tr>
<td>Tereinganu</td>
<td>27.2</td>
<td>27.5</td>
<td>33.3</td>
<td>18.1</td>
<td>21.8</td>
<td>-4.3%</td>
</tr>
<tr>
<td>W.P. Labuan</td>
<td>0</td>
<td>0</td>
<td>57.1</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>W.P. Putrajaya</td>
<td>0</td>
<td>65.3</td>
<td>69.7</td>
<td>0</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
• **Life Expectancy**

Malaysian women have been living longer than men since the independence of Malaya, with a life expectancy of 60 years in 1957 and rising to 78.1 years in 2018, see Figure 2.17. In contrast, the male life expectancy was 57.4 years in 1957 and 74 years in 2018. Within the same time period, Malaysia’s fertility rate has been gradually decreasing from a high of 6.4 in 1963, dropping to only 2.0 in 2018. Malaysia is projected to reach an aging society by 2030, largely in part due to the decline in the total fertility rate, and accompanied by a sustained rise in life expectancy, especially for women.

**FIGURE 2.17 : Total fertility rate and male and female life expectancy at birth, Percentage and Years**

In comparison with high-income nations, Malaysia’s female life expectancy still lags behind aspirational countries such as Japan, the Republic of Korea, and the OECD economies, which are all well into the 80+ years of age. The rate in the increase of Malaysia’s female life expectancy has slowed down and it is now on par with EAP average, but below that of OECD, Japan, and the Republic of Korea, all of which have achieved having more than 90% of women in each birth cohort survive to age of 65 and beyond.

**FIGURE 2.18 : Female Life Expectancy, Malaysia and Comparator Countries (2010-2018)**

Source: World Bank Data Bank Indicators 2017 (data from data.worldbank.org)
Malaysia's adolescent fertility rate has plummeted by 81% since the last 55 years. In 1960, the adolescent fertility rate was 75 live births per 1000 girls aged 15-19; however, by 2015, it had dropped to 13.3. Malaysia's rate is better than OECD members and EAP countries, although below Japan and the Republic of Korea, both of whom have single digit rates (4.0% and 1.5% respectively).

**FIGURE 2.19: Adolescent Fertility Rate, Malaysia vs. Benchmark Countries (1960-2018)**

Source: World Bank Data Bank Indicators (data from data.worldbank.org)
• Key Health Risks

In Malaysia, the key causes of death among women are pneumonia (~13%), heart disease (~11%), cerebrovascular disease (~9%), breast cancer (~4%), and diabetes mellitus (~3%), based on MOH National Health and Morbidity Survey 2019. Diabetes seems to continue to be a key concern for women, with prevalence rates in the population about 2% higher than men (16.5% for men and 18.3% for women respectively in 2015. Blood cholesterol levels are also higher for women (45% prevalence) than men (32% prevalence). Another disease of concern for women is anemia. Three in ten women of reproductive age in Malaysia are anemic to some extent.

Females have a much higher prevalence of obesity at 24.7%, as compared with males at 15.3% in 2019, see Figure 2.20. Based on the 2019 National Health Morbidity Survey, obesity is a serious growing concern in Malaysia, as the country approaches an aging nation status, and obesity may reflect poor dietary habits, a lack of physical activity, and lends itself to higher risk of non-communicable diseases such as diabetes and hypertension. The National Health Morbidity Survey reported that although the prevalence of physically active adults was relatively high, a majority of adults were only minimally active. The 2019 NHMS found that 28% of females were not active.

Women are more likely than men to experience depression, with rates at 2.6% versus 2.0% respectively, based on the 2019 National Health Morbidity Survey. The survey reported that mental health problems had increased from 10.7% in 1996 to 29.2% in 2015. The prevalence is much higher in B40 households at 2.7% versus other household incomes, where the prevalence in M40 and T20 are at 1.6% and 1.1% respectively. The very poor with household incomes of less than RM1,000 per month have a disproportionately high depression rate at 4.9%. In light of the impact of COVID-19 on jobs, household incomes, and the burden of care on women, these findings become more pertinent in light of the state of mental health among women and the potential impact on children and families.

In terms of functional difficulties, females reported a significantly higher prevalence at 31.6% as compared to males at 22.9%, based on the findings of the 2019 National Health Morbidity Survey. The prevalence of overall difficulty increased significantly with age, with the highest prevalence of 91% among adults aged 80 years and above, as compared to 41.2% for adults aged 50 to 59 years, 50.8% for ages 60 to 69 years, and rising to 65.5% for ages 70 to 79 years. The prevalence of difficulty is defined in six different domains, which include seeing, hearing, walking, remembering, self-care, and communicating, among adults in Malaysia. As Malaysia is going to be an aging nation by 2030, and with women living longer than men, it would be imperative to develop and implement policies as soon as possible to promote healthy and productive aging for men and women, and in particular for women who are currently in their 50s and 60s.

14 Source: MOH Data 2018 in the MOH National Health and Morbidity Survey (NHMS) 2019
CHAPTER 3

Voice and Agency
Key Findings

- **Malaysia has achieved its target of 30% for females in senior management positions in the public sector in 2010**, and continues to improve upon its share of female representation achieving 37.3% in 2019.

- In the private sector, 2020 marked the year **Malaysia achieved its 30% target for women in senior management positions**, with representation jumping 10% above 2019 to hit 33%. Although this level is better than the global average of 29%, it is less than the ASEAN average of 35%. **Malaysia still has yet to meet the 30% target for women on boards**, achieving 26.5% female representation in private sector and 26.8% in public-listed companies.

- In the judiciary, Malaysia has achieved outstanding progress with the appointments of **eight female judges and six male judges** (57% of women; GPI of 1.4) at the Federal Court of Malaysia, the highest court in January 2021. However, Malaysian women are still severely under-represented in Parliament and in the Cabinet with only 4% of Members of Parliament being female and only five women Ministers (12.5% of total Ministers in Cabinet; GPI of 0.142)

- **Gender-based violence increased last year**, corresponding with the period of economic lockdowns in Malaysia. Domestic-related violence calls to Government helplines peaked in May 2020 at over 400% as compared to the weekly pre-COVID average. Latest data suggests calls have fallen from that peak to stabilize at approximately 70% above the pre-COVID average.

- **The rights of migrant workers, especially domestic workers who are predominantly female, remain an issue.** Migrant domestic workers are specifically termed as ‘domestic servants’ in the Employment Act 1955, and so excluded from the benefits mandated to employees under the Act.

- **Bias against women remains significant within Malaysian public opinion.** Wave 7 of the Pew World Values Survey found that **58.2% of Malaysians believe men make superior political leaders, 44.3% believe the same about business executives, and 48% believe men should be favored for jobs over women in times of scarcity.** Malaysian responses are similar to most of its Asian neighbors, though significantly more biased than Japan’s.
Chapter 3: Voice and Agency

Government Service

Malaysia first achieved its target of having at least 30% of women in top management in the civil service in 2010. Apart from a dip in 2012, this target has been maintained, and the percentage has seen slow and steady growth till 2019 (Figure 3.1). In 2019, the percentage of women in top management roles in the civil service had reached 37.3%. In addition, there were twice as many women than men in the Professional and Management category, indicating a very healthy pipeline of women leaders for the next level. Additionally, there are more women than men as support staff (Figure 3.2).

Business Sector

Malaysian women hold 33% of senior leadership positions, which is higher than the global average of 29% and the Asia-Pacific average of 26%, based on a 2020 Grant Thornton International Business Report which surveyed 5,000 mid-market companies in 32 economies (Figure 3.3). The survey also found that 90% of businesses in Malaysia have at least one woman in senior management, above the global average of 87%. 60% of the Malaysian businesses surveyed are actively working on removing barriers to gender parity at senior levels, the lowest number in the ASEAN region (Vietnam: 100%; Indonesia: 99%; Philippines: 64%).
Despite an active Government and regulators’ call for gender diversity on boards and senior management positions, Malaysia still lags behind the ASEAN average for board representations and countries such as the Philippines, Thailand, and Singapore for senior management positions. According to the International Finance Corporation’s report on Board Gender Diversity in ASEAN, women in Malaysia hold only 13.5% of board seats in all public-listed companies in 2017, coming in fourth compared to other ASEAN countries such as Thailand at 20.4%, Vietnam at 15.4%, and Indonesia at 14.9%. (Figure 3.4). In the latest data report by the Securities Commission Malaysia, Malaysia’s figure has risen to 17.2% as of end Feb 2021, while the Top 100 public-listed companies have achieved 25.4% women on boards.15

**FIGURE 3.4 : Proportion of women on board, board chair and senior management positions, 2017 (%)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Board of director</th>
<th>Board chair</th>
<th>Senior management</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASEAN average</td>
<td>14.9</td>
<td>25.2</td>
<td>18.4</td>
</tr>
<tr>
<td>Indonesia</td>
<td>14.9</td>
<td>26.2</td>
<td>13.5</td>
</tr>
<tr>
<td>Malaysia</td>
<td>13.2</td>
<td>32.8</td>
<td>13.2</td>
</tr>
<tr>
<td>Philippines</td>
<td>9.1</td>
<td>5.2</td>
<td>11.9</td>
</tr>
<tr>
<td>Singapore</td>
<td>7.6</td>
<td>27.2</td>
<td>20.4</td>
</tr>
<tr>
<td>Thailand</td>
<td>15.4</td>
<td>29.7</td>
<td>14.9</td>
</tr>
<tr>
<td>Vietnam</td>
<td>12.7</td>
<td>16.8</td>
<td>7.6</td>
</tr>
<tr>
<td>China</td>
<td>13.5</td>
<td>12.7</td>
<td>11.7</td>
</tr>
</tbody>
</table>


The mismatch between women’s representation in senior management and in the boardroom suggests that an additional set of barriers exist in the region for women seeking boardroom positions, as depicted in Figure 3.4. The discrepancy may reveal a further glass ceiling that needs to be overcome—even for women at the highest levels. Malaysia has the lowest level of corporate commitment to removing barriers for women to enter senior management, with only 60% of companies pursuing the goal (vs 100% in Vietnam and 99% in Indonesia).

**Attitudes to the number of women in private sector managerial roles in Malaysia differ by gender.** According to a survey conducted by CPA Australia in its preliminary report on “Gender Equality in the Malaysian Workplace 2019”, women are far more likely than men to suggest that there should be a joint approach by business and government to improving the number of women in senior roles. In contrast, men were more likely than women to suggest that increasing the number of women in senior roles is not a critical issue, and that business should be left to resolve the issue without government intervention.

The profit rate for a typical Malaysian public-listed firm with at least one female board member was 2.4 percentage points higher than that of a firm with all-male board members. The finding was based on a 2018 policy note by the World Bank based on data from 806 public-listed companies in Malaysia.16 The gap of 2.4 percentage points here is statistically significant; it is economically large, given that the average profit rate among all firms is 5.3%. The study also found that only 13-14% of all board positions were filled by women as of end December 2017. This number also varies by industry, with the proportion of all board positions filled by women being much higher in the finance industry, and much lower in the plantation industry.

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15 Source: Securities Commission Malaysia, data released by 30% Club Chapter in Malaysia.
Significant progress has been achieved in the banking sector with the percentage of women on boards increased by nearly four times, going from only 4.9% in 2013 to 18.2% in 2019, see Figure 3.6. Although the female representation is still behind the target of 30%, the banking sector may achieve it in the next 5 years if the growth rate continues. For Ministry of Finance Incorporated Companies, there was a significant increase in the percentage of female board members, rising from 11% in 2017 to 23% in 2019, as seen in Figure 3.7.
Political Participation

Malaysian women are still severely underrepresented in Parliament and in members of the Cabinet. The very low participation rate is due to a very small pool of women who campaigned during the national elections, and then were subsequently able to win at the federal level seats. The Parliament of Malaysia is the national legislature of Malaysia, based on the Westminster system. The bicameral parliament consists of the House of Representatives (Dewan Rakyat) and the Senate (Dewan Negara). The King (Yang di-Pertuan Agong) as the Head of State is the third component of Parliament.

Executive
Since Malaya having achieved independence in 1957 to the present, there have been 21 Cabinets, and Malaysia has had only a total of 18 female Ministers out of 477 Ministers (4%) and 32 female deputy Ministers (6.6%). The current Cabinet (1 March 2020 - present) has only five women Ministers (12.5% of total Ministers in Cabinet; GPI of 0.14), and four Deputy Ministers (10.5% of total Deputy Ministers in Cabinet; GPI of 0.12). Malaysia has never had a female head of state, and only briefly a deputy prime minister, Dr. Wan Azizah Wan Ismail, from May 2018 to Feb 2020.

Legislative
In terms of parliamentary representation in the House of Representatives (Dewan Rakyat), Malaysia’s Gender Parity Index (GPI) is also very low. In the 12th Malaysian Parliament (2008-2013), there were only 23 women out of 222 Members of Parliament (MPs), with a GPI of 0.115 However, in the 14th Malaysian Parliament (2018-present), there has been an encouraging progress with 33 female MPs (14.9% of total MPs; GPI of 0.175). Of all political parties, the United Malays National Organisation (UMNO) has five female MPs – the most by a single party. The average tenure of women MPs is 10 years. The GPI is better in the Senate, with approximately half of the appointed Senators being women.¹⁷

![FIGURE 3.8: Number of MPs by Political Party and Gender in the 14th Parliament (2018-present)](image)


Judicial
In the judiciary, Malaysia has achieved outstanding progress, with the appointments of eight female judges and six male judges (57% of women; GPI of 1.4) at the Federal Court of Malaysia, the highest court in January 2021. The Court of Appeal of Malaysia, the second highest court, had eight female judges and 18 male judges (44.4% of women; GPI of 0.8).¹⁸ On May 2nd 2019, Tun Tengku Maimun Tuan Mat made history when she was appointed as the first female Chief Justice of Malaysia. Prior to 2019, all 15 previous Chief Justices of the Federal Court had been male.

¹⁷ Source: Parliament of Malaysia, 2020
¹⁸ Source: Office of The Chief Registrar - Federal Court of Malaysia, 2021
Gender-based Violence

While there is a Domestic Violence Act (Act 521, 1994), which was amended in 2012, marital rape is not criminalized in Malaysia. Victims of domestic abuse face barriers in going to the authorities, including social stigma, possible retaliation, and institutional apathy. Official figures on domestic violence represent only a small fraction of total cases of abuse. The vast majority of domestic violence occurs against women, with men representing from 5% to 9% of victims.

The total number of gender-based violence cases has risen by 83% since 2010, with domestic violence having the highest number of gender-based violence offences, see Figure 3.9. While this could be a reflection of the positive effects of outreach and public awareness campaigns, the increasing number of cases per year is worrisome and represents a significant challenge to be solved. The number of rape cases has declined by 53% since 2009. The number of domestic worker abuse cases has also declined by 64% since 2011, although the suspicion is that such cases are going largely underreported.

FIGURE 3.9: Statistics on Gender-based Violence against Women, 2000-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Violence</th>
<th>Rape</th>
<th>Outrage of Modesty (Molestation)</th>
<th>Incest</th>
<th>Child Abuse</th>
<th>Sexual Harassment in the Workplace</th>
<th>Abuse of Domestic Workers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>62,189</td>
<td>40,068</td>
<td>29,017</td>
<td>4,760</td>
<td>2,822</td>
<td>881</td>
<td>551</td>
<td>140,288</td>
</tr>
<tr>
<td>Share</td>
<td>44.3%</td>
<td>28.56%</td>
<td>20.68%</td>
<td>3.39%</td>
<td>2.01%</td>
<td>0.63%</td>
<td>0.39%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Women's Aid Organisation (WAO), compiled based on Police Reports and Reports to Ministry of Women, Family and Community Development

At the subnational level, Selangor has the highest incidence of calls reporting domestic violence at 36%, followed by Kuala Lumpur (22%) and Johor at 10.5%. These three states are highly urbanized with dense populations. These figures are based on hotline statistics collated by the Ministry of Women, Family and Community Development. The sudden jump in 2015 is the result of a change in response line and outreach initiatives. However, the overall trend from 2015 to 2018 is a decline in reports from 831 to 455 cases.

Stress related to the COVID-19 pandemic has led to a dramatic increase in reports of domestic violence. Prior to the lockdowns, calls to the Talian Kasih crisis hotline maintained by the Social Welfare Department were averaging slightly under six domestic violence calls per day. Volumes spiked to an average of 26.4 in the fourth week of April and remained elevated through May 2020. Although there was a decrease from June 2020 onwards following the lifting of lockdown restrictions, the average daily domestic-violence-related call volumes remain higher than pre-lockdown (Figure 3.10).
The increase is corroborated by a 70% jump in help-seeking Internet searches as found by a UNWomen 2020 study, and an increase in women reaching out to WAO to report gender-based violence and domestic abuse.
Vulnerable Groups

In 2017, there were an estimated 2.96 to 3.26 million migrant workers in Malaysia, with 1.23 to 1.46 million in irregular circumstances. The Malaysia Immigration Department estimated a regular migrant worker population of 1.98 million in 2019. Most migrant workers originate from Bangladesh, India, Nepal, Burma, Indonesia, the Philippines, and other SEA countries. There are reports of unethical practices of recruitment agencies and employers subjecting migrant workers to disproportionately high recruitment fees, withholding of salary, debt bondage, confiscation of passports, excessive working hours, hazardous working conditions, physical abuse and humiliation, and other forms of human rights violations (U.S. Department of State, 2019). In 2013, the Malaysian Government imposed a ‘foreign levy’, which is an annual tax, on migrant workers, rather than on their employers, making them even more susceptible to exploitation (WAO, 2018b).

Migrant domestic workers are specifically termed as ‘domestic servants’ in the Employment Act 1955, and are thus excluded from many of the benefits mandated to employees under the Act. These exclusions include pensions, adequate medical care, and social safety net and legal redress mechanisms. Since a large proportion of domestic workers are women, these practices can be viewed as discriminatory against women.

Malaysia is a destination for the trafficking of women and children into the sex trade (WAO, 2018b). Sex trafficking is profitable; the International Labor Organization (ILO) computes that the average annual profit per sex worker in Malaysia is about USD $23,500. There are approximately 142,000 sex workers in Malaysia, out of which 8,000 to 10,000 are in Kuala Lumpur. Although there is not much data available, it is quite apparent that there is a thriving underage sex trade with girls from other Asian countries working in Malaysia. Many girl and women sex workers are employed in massage parlors, spas, pubs, karaoke lounges, or restaurants.

In 2019, the Malaysian government identified 2,229 potential victims and 82 confirmed victims of human trafficking, an increase compared to 1,305 potential victims during the previous year. Of the 82 confirmed victims, 55 were adult women. The government continued to focus most of its identification efforts on the use of large-scale police raids of suspected commercial sex establishments, rather than placing adequate attention to the investigation of forced labor, the larger trafficking problem in Malaysia. ATIPSOM required the government to place victims who have been granted a court-ordered 21-day interim protection order (for potential trafficking victims), or a subsequent 90-day protection order (for certified trafficking victims), at a “place of refuge,” designated by the Minister of Home Affairs.

The Government housed the majority of identified victims in government-operated shelters, but NGOs reported these conditions in shelters resulted in victims feeling as though they are being detained. Of the 82 confirmed victims, the Government issued 45 special immigration passes that authorized freedom of movement, compared with 68 passes for 97 confirmed victims in the previous year. The Government was less likely to approve these passes for female victims of sex trafficking. While the Government reported it streamlined the process to issue immigration passes, which required a security risk assessment, medical screening, and mental health evaluation by the end of their 21-day interim protection order, the majority of confirmed victims did not receive this pass, and the Government continued to lack enough qualified mental health counselors to conduct the required psycho-social evaluation during the required timeframe.

19 World Bank 2018 Report
20 US Department of State, 2020
CHAPTER 4

Economic Opportunity
Chapter 4: Economic Opportunity

Key Findings

- Although Malaysia’s female labor force participation rate continues to grow, its participation rate remains the third-lowest in ASEAN, and under-performing when compared to peer countries of a similar income level.

- Across the different age groups, Malaysia’s female labor force participation rate is single-peaked, showing that women are leaving the labor force and not returning, when they reach the child-bearing age of 30 years and above.

- The key barrier cited by women for dropping out of the workforce or not being in the labor force is housework. Women are over-burdened with care-giving responsibilities: of childcare, elderly care, and home management over and above work responsibilities.

- Women who stay in the labor force are more likely to be clerical workers, service, and sales workers, as well as professionals.

- Men’s median monthly gross income have been consistently higher than women’s, with the largest wage gaps at the highest end (top 10%) and at the lowest end (bottom 20%) of the earnings distribution. However, it is interesting to note that women earned more than men between the 60th and the 90th percentiles.

- There is a higher unemployment rate among women over men in Malaysia, although the country has a low level of unemployment ranging from 2.9% – 3.4%.

- Due to the impact of COVID-19 pandemic, there was a surge in unemployment, with a higher impact on women during the peak of the economic lockdown in Q2 2020. However, with the gradual easing of movement restrictions and the reopening of businesses, the female unemployment rate reduced to a similar rate as men’s in Q3 and Q4 2020. Young workers and married women with young children have been most affected by the COVID-19 pandemic.

- Malaysia needs to prepare for a gendered response to an aging population, as women are living longer than men, but with a shorter duration in the labor force, with subsequent smaller savings and pensions. Compared to other upper-middle- and high-income countries, the employment rate of persons aged 50 to 74 in Malaysia is relatively low.
Gender and Labor Force Participation

In the last ten years, Malaysia's female labor force participation rate had increased strongly, particularly between 2010 and 2014, growing from 46.8% in 2010 to 53.7% in 2014. According to Figure 4.1, the female labor force participation rate was low for nearly three decades from 1982 to 2010, fluctuating within the range of 44.4% to 46.8%. Then, around 2010, the participation rate began to increase rapidly, jumping by 6.9 percentage points within a span of just four years from 46.8% in 2010 to 53.7% in 2014. Since then, the rate has increased more slowly. It exceeded 55% for the first time in 2018, reaching 55.2%. In 2019, the FLFPR is 55.6%.

As the share of women in the labor force has increased, the gap between the participation rates of men and women has shrunk. Figure 4.1 depicts the time series of the female and male labor force participation rates and the gaps between the two rates. The figure shows that between 1982 and 2020, the male labor force participation rate exhibited a slow decline, falling from 85.3% of all working-age men in 1982 to 80.6% in 2020. During the same period, the female labor force participation rate gradually increased from 44.5% to 55.3%. The changes in male and female labor force participation rates over time both contributed to a substantial narrowing of the gender gap in labor force participation rates. Between 1982 and 2020, that gap shrunk from 40.8 percentage points to 25.3 percentage points.

However, Malaysia’s female labor force participation rate continues to trail behind many of its regional comparators and OECD economies in the last 30 years. Although Malaysia’s FLFPR increased significantly from 2010 to 2014, Malaysia’s relative position to other countries is still among the lowest in the region. Malaysia’s FLFPR, which stood around 55% in 2020, places the country lower than her regional neighbors and the OECD average.

Boosting female labor force participation is a key driver of growth to boost Malaysia’s economic growth trajectory

The World Bank 2021 Aiming High Report looks into how reforms to investment quantity, human capital growth, total factor productivity growth, and FLFP would impact Malaysia’s growth. These are based on, or with reference to, the 25th, 50th, and 75th percentiles among high-income countries (“aspirational goals”). The report models total factor productivity (TFP) scenarios under three different levels of reform by benchmarking Malaysia against high-income countries. The scenarios include weak reforms, which target a low TFP value over a long period; a strong reform, which targets a high value over a short period; and a moderate reform in the middle.
A rise in FLFP would increase the labor supply in the economy, and hence boost GDP growth in the long run. As of 2018, Malaysia’s FLFP rate stood at 55%, which is low in comparison to regional peers and also to high-income countries. As shown in Figure 4.3, Malaysia’s FLFP is still lower than that of regional neighbors such as Thailand, PRC, and Vietnam, and high-income comparators at the 25th, 50th, and 75th percentiles. Malaysia’s female labor force participation is lower than the 25th percentile of high-income countries, which is the benchmark of the weak-reform scenario, as seen in Figure 4.4.

There is significant scope for Malaysia to increase its female labor force participation under different reforms scenarios. In Figure 4.5, if Malaysia implements moderate reforms at the 50th percentile, the increase in the female labor force participation is significantly large and comparable in the first five years from 2019 to 2024, as with the increase for strong reforms. Hence, if Malaysia aims to boost its GDP growth immediately within the short term, Malaysia may wish to implement moderate reforms that have been planned, which include legal reforms and introducing economic and societal support for parents.21

An increase from 55% to the 25th (weak reform), 50th (moderate reform), and 75th (strong reform) percentiles of FLFP of high-income economies will boost average GDP growth over 2020-50 by 0.14 ppts, 0.31 ppts, and 0.36 ppts, respectively, relative to the business-as-usual baseline with unchanged FLFP (see Figure 4.6).

21 For example, in the weak reform scenario, the target FLFP is 62%, which is the 25th percentile among high income countries and of Croatia in 2018. For calculating a target duration to reach 62%, we identified eight high-income countries that show the path of FLFP from the current Malaysia’s level to the target (55% to 62%) within the time period of our database (1990-2018). The target duration was calculated at 27 years, which is the 75th percentile in the years the eight countries took to reach from 55% to 62%. With the same approach, the moderate reform scenario targets 69% (Spain in 2018) over 23 years, and the strong-reform scenario, 74% (Netherlands in 2018) over 27 years. For the scenario targeting the 75th percentile of FLFP, we use the number of years of Netherlands (27 years), because only Netherlands shows the path from current Malaysia’s level to the target within the time period of our database (1990-2018).
In Malaysia, female labor force participation is higher for young adults than for middle-aged and older women. A key finding from the Malaysia Economic Monitor on “Unlocking Women’s Potential” (World Bank, 2012) was that Malaysia’s age-participation profile in 2010 was single-peaked, meaning that participation was lower for middle-aged women than for young adults and lower still for older women. This contrasted with the age-participation profiles of countries like Japan and the Republic of Korea, where there is an initial peak when young women enter the labor force, a decline as they marry and have children, and then a second peak as they re-enter the labor force. Based on the 2019 report on ‘Breaking Barriers: Toward Better Opportunities for Women’, Figure 4.5 shows that despite the steady increase in female labor force participation between 2010 to 2018, that finding from the Economic Monitor of a single-peaked age-participation profile still held true as of 2018. Women aged 25 to 29 continue to exhibit the highest participation rate, and that rate continues to be lower for older women. Although the regular retirement age for both men and women was raised from age 55 to 60 in 2013, only 40.6% of women aged 55 to 59 participated in the labor market as of 2018.

**FIGURE 4.7 : Female labor force participation rate by age group and year, 2010–2018**

![Female labor force participation rate by age group and year, 2010–2018](image)


In contrast, the age-participation profile of men has remained fairly constant at a high participation rate from 2010 to 2018, for the ages between 25 and 49. Above 50 years, participation declines rapidly due to early retirement. While the curve of women’s age-participation profile has shifted upwards from 2010 to 2018, for men it has remained stable. The only change has been a small increase in the labor force participation rate for men aged 50 and above. This indicates a slight increase in the average retirement age, which might reflect that in 2013, the retirement age for private sector workers was raised from age 55 to 60.

**FIGURE 4.8 : Male labor force participation rate by age group and year, 2010–2018**

![Male labor force participation rate by age group and year, 2010–2018](image)


The expansion of higher education has played a role in the increase in women’s labor force participation. The gender gap in labor force participation is lowest among those with tertiary education, and has declined among all education categories between 2010 and 2018. As depicted in Figure 4.9, in 2010 the gender gap in participation rates was highest among those with only primary education, slightly lower among those with no formal or secondary education, and dramatically lower among those with tertiary education. In 2018, the widest gap could still be found for individuals with only primary education (at 41.5 percentage points), whereas for those with tertiary education it had shrunk to 9.5 percentage points.
Based on the labor force participation rate, the female labor force participation rate is highest for women with a tertiary degree, and declines with decreasing levels of educational attainment. Those with a primary-level education have a much higher participation rate than those with no formal education, which came in lowest, (see Figure 4.10). For women, a key reason for a higher female labor force participation rate with increasing educational attainment is that education increases the incentive to work due to a substitution effect (an increase in the opportunity cost of leisure). In addition, education is closely correlated with income; more educated women might find it easier to afford good quality child-care. However, it is interesting to observe that this is not the case for the male labor force participation rate, where the highest participation rate is at primary level and the lowest is for tertiary level.
Employment and Wage Gaps

A large share of women continues to work in occupations traditionally characterized as ‘female’.
According to Figure 4.11, in 2010 a majority of women worked in occupations such as clerical support workers, professional roles, and service and sales workers. Figure 4.12 shows that by 2018, the concentration of women among clerical support, and service and sales workers had become even stronger. The general pattern for male-dominated and female-dominated occupations had stayed constant. However, it is heartening to note that 55% of professionals are women, which probably reflects the higher share of tertiary-educated women are working in those jobs.

Overall, gender sorting by occupation remains pronounced, with 75.3% of managers being male and in the more ‘male’ dominated type of occupations such as technicians, plant operators, and skilled agriculture and craft workers. That finding probably partly reflects a combination of factors where male labor force participation remains much higher than women, the lagging effect of gender segregation in the field of study, and women not remaining long enough in the workforce to climb up the career ladder.

### FIGURE 4.11: Share of male and female employment by occupation, 2010

![Graph showing employment by occupation in 2010](source)

### FIGURE 4.12: Share of male and female employment by occupation, 2018

![Graph showing employment by occupation in 2018](source)

Across the age groups from 15 to 54, nearly 80% of women who are employed prefer to work in the services sector, see Figure 4.14. These preferences reflect the top three occupations which women are employed in. After 55 years of age, the share of women who work in the services sector decreases, and declines to 51% when they are 65 years and older. It is interesting to observe that the share of women who work in the agriculture sector increases after 55 years of age, and grows significantly to 65% when they are 65 years and older.

Similarly the services sector has the largest share of male employment across all age groups from 15 to 64 years of age. The second and third highest sector of employment for men are the manufacturing and construction sectors, and this holds true across all age groups as seen in Figure 4.13. For female, employment in the construction sector comes in at a distant fourth. At the ages of 65 and above, the share of men who are employed in the services and agriculture sectors are tied at 44%. Similar to the trend that is observed in female employment, the share of men who work in the services sector decreases significantly and spikes up in the agriculture sector when they are aging. Further analysis is required to understand the demographics of women and men who work after the ages of 65 years, why they prefer to work in the agriculture sector versus the services sector, and if there are barriers surrounding infrastructure, IT literacy and connectivity, geographic location, market information, access, and opportunities.
Interestingly, in a recent Productivity and Investment Climate Survey-3, it was found that agro-food firms have been operating longer than firms in the manufacturing and services sectors, and have a higher female participation. Agro-food firms surveyed have an average operating age of about 31 years, while manufacturing firms have an average operating age of 29 years and services 18 years. Additionally, the percentage of agro-food firms with female participation in their ownership as well as top managers is significantly higher than in manufacturing and services.

**FIGURE 4.13 :** Share of male employment by sectors, across age groups

**FIGURE 4.14 :** Share of female employment by sectors, across age groups

Men’s mean and median monthly gross income has been consistently higher than women’s. The overall wages in Malaysia have risen consistently over the years for both men and women. As shown in Figure 4.15, the median wage gaps started to converge between 2015 to 2017, and diverged again thereafter in 2017. Median salaries of both men and women were lower than mean salaries, which imply the differences are larger at the high end of the spectrum, which pull up average wages.

**FIGURE 4.15 :** Median and Mean Monthly Gross Income by Gender and Year, 2014 to 2019

**FIGURE 4.16 :** Gender earnings gap by earnings percentile, 2017

Source: Malaysian Labor Force Survey, DOSM


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22  Malaysia Productivity and Investment Climate Survey-3
Earnings differences between men and women are particularly large at the lowest end of the earnings distribution and even larger at the highest end. The 2019 World Bank report ‘Breaking Barriers’ analyzes earnings differences between men and women across the earnings distribution. Figure 4.16 indicates that in 2017, those differences were particularly pronounced at the lowest and highest end of the distribution. Men whose earnings were in the 99th percentile for all men made 16.9% more than women in the 99th percentile of earnings for all women. This may indicate the presence of more men in top management and board positions in the private sector. At the same time, men earned less than women between the 60th and the 90th percentiles, indicating the stronger representation of tertiary-educated women in professional occupations. Whereas for women in the first 20th percentiles, women earned much less than men, indicating the occupations and type of employment that women are engaged in.

Women’s average earnings are significantly lower than men’s for almost all major occupational and educational groups, especially among workers without primary education or any other type of formal education. Within all major educational groups, women’s average earnings are 70.6% to 83.2% of men’s average earnings. Based on Figure 4.17, differences are more pronounced for women with no formal education, especially when compared with women who have secondary-level education. A similar picture emerges for earnings differences within occupations. Those again are substantial, varying from 60.0% for skilled agricultural occupations to 85.2% for clerical support workers. The only exception are women technicians, whose earnings are just 4.0% lower than men’s. That evidence serves as an argument for prioritizing policies to promote equal pay for equal work, as well as the continued educational and occupational upgrading of the labor force (see Figure 4.18).

When median income data is analyzed by gender and age ranges, Figure 4.19 shows that women consistently earn higher than men between the ages 25 – 30 years of age. This coincides when women have entered the labor force in the early years post-tertiary education and have not settled down with children. Between the ages of 30 – 44 years, the wage gaps between men and women increases slightly for the observable years 2016 – 2019. In 2019, the wage differential widens between men and women post 45 years of age, with the widest gap in median income observed between ages 50-59. For both men and women, the median income falls sharply after the ages of 60 years, with higher medians observed in 2019 due to the increase in retirement age from 60 to 65 years in 2013.

An interesting picture also emerges regarding age-earnings profiles. Between age 25 to 44, men have lower median earnings than women, while for ages 45 and above, median earnings are higher for men.
Women and Aging

Malaysia needs to prepare for a gendered response to an aging population, as women are living longer than men, but with a shorter duration in the labor force, with subsequent smaller savings and pensions. Thus the country would need policies, programs, and social protection and healthcare systems that promote healthy and productive aging, within a fiscally-supportive and sustainable environment.

The pace of decline in the labor force participation rate increases after age 50 for both men and women. Figure 4.20 shows that in 2018, the female labor force participation rate was 63.4% between the ages of 45-49, dropped to 53.8% between the ages of 50 to 54, 40.6% between the ages of 55 to 59, and rapidly declined to 22.7% between the ages of 60 to 64. In contrast, the male labor force participation rate is much higher at 96.1% between the ages of 45-49, and dropped down to 49.3% between ages of 60 to 64, albeit a higher pace of decline.
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Compared to other upper middle- and high-income countries, the employment rate of persons aged 50 to 74 in Malaysia is relatively low, partly due to low levels of female labor force participation and a low retirement age. In Malaysia, the employment rate for persons aged 50 to 74 stands at 45.9%.\(^{24}\) The difference in this rate between Malaysia and other aspirational countries is even more pronounced for persons ages 55 to 64, with Malaysia’s rate at 45.2% only, dropping from 66.3% for the ages 50 to 54. The large decrease in employment rate is commensurate with Malaysia’s normal retirement age at 55. The normal retirement age is defined as the age at which a person with an uninterrupted career starting at age 22 can retire without any reduction in their pension. For Malaysia, the EPF minimum withdrawal age is allowable at 55 years of age. The rapid decrease in employment rate supports the notion that the EPF minimum withdrawal age of 55 years acts as a signal to retire. In contrast, for persons beyond age 64, Malaysia’s employment rate is close to the average across comparator countries.

Malaysia has one of the largest gap at 25.7 years between the normal retirement age and the life expectancy at 55 for female, when compared to other middle-income and aspirational countries. In Table 4.1, the gap in the United Kingdom is 22 years, Singapore is 22.6 years, and in Thailand the gap is about 23.7 years. Even in Japan that has the highest life expectancy for women, the gap is lower, at 24.8 years.

With an aging population, it is important for Malaysia to reconsider its normal retirement age, in view of the life expectancy, and to tap the economic participation of such “younger older” women, and in ensuring a higher social safety net and pensions for them when they reach a much “older” age.

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<th>Table 4.1: Employment rate of persons age 50 to 74 by country</th>
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\(^{24}\) Often, the employment rate is defined as employment as a share of the labor force (which includes all persons who are employed or unemployed, but not those not actively looking for work or not available for work). In this report, the employment rate is instead defined as employment as a share of the population overall or within a specific age group.
As workers age, self-employment becomes more prevalent for both genders, and more so for women. Figure 4.22 shows that as workers become older, the shares of men and women who are employees decline, while the shares of men and women who are self-employed increase, especially markedly just beyond the minimum retirement age of 60. In Malaysia, as in other countries in the region, the percentage of workers that are self-employed increases significantly with age (see World Bank 2016). Based on data collected by MOHR (2019), qualitative evidence indicates that many older workers in Malaysia opt for self-employment after they have reached the minimum retirement age, partly due to the prospect of more flexible working hours.

Part-time work is preferred as workers age, and it is more prevalent among female workers than men. In the World Bank Report Silver Lining (2020), it is found that 9.6% of employed women aged 60 to 64 years work part-time, as compared to 5.2% of employed women aged 45 to 49. Moreover, 4.5% of employed men aged 60 to 64 years work part-time, as compared to 1.3% of employed men aged 45 to 49. This pattern is consistent with international studies on older workers; namely, that many are willing to continue working beyond the normal retirement age instead of retiring if they have the option of working fewer hours.

Although part-time work is more prevalent among females than men, women tend to work fewer hours on a weekly basis and are less willing to work longer hours as they age. Figure 4.24 shows that the average number of working hours per week of part-time workers stands at 20.3 for men and at 18.6 for women ages 40 to 44, while it is 18.3 for men and 18.1 for women ages 60 to 64. In addition, Figure 4.25 shows that even though the share of part-time workers willing to work longer hours is relatively high across all age groups, it declines with age and at a slightly faster rate for women. The shares of part-time workers for men is 94.5% at ages 40 to 44, vs 69.4% at ages 60 to 64; while for women it is 87.1% at ages 40 to 44, vs. 58.3% at ages 60 to 64.
Less than a third of women between the ages of 60 to 64 years receive any income, as compared to 81% of men who receive income. In the World Bank 2020 report, it is found that 95% of men aged 50 to 54 years receive income, as compared to only 43.4% of women who receive any income, see Figure 4.26 and Figure 4.17. This finding is worrisome, as the drop in the share of older women for income receipts is even more pronounced than the reduction of the female labor force participation rate for the same age groups. Paid employment and self-employment income have the largest reduction in terms of share of income sources for women. Additionally, it is also a concern that women receive very low public transfers as compared to men, and they have low asset income. In Malaysia’s socio-cultural norms, older persons tend to move in with younger family members in their later years. However, this filial tradition does not adequately explain why private transfers are also much lower for women.

**FIGURE 4.26**: Older men receiving income by income source and age group, Percentage


**FIGURE 4.27**: Older women receiving income by income source and age group, Percentage

COVID-19 and Unemployment

Although Malaysia has generally a low level of unemployment ranging between 2.9% to 3.4% over the last eight years, there is a higher unemployment rate among women over men, as seen in Figure 4.28. There is a much higher male labor force participation rate, therefore the numbers of unemployed men are higher than female. Correspondingly, there are more men who are unemployed than women throughout this period, with a much higher increase in 2020 especially in the last two quarters of the calendar year.

Due to the impact of the COVID-19 pandemic in 2020, there was a surge in unemployment for both men and women, with a higher short-term impact on women during the peak of the economic lockdown in Q2 2020. However, with the gradual easing of movement restrictions and reopening of businesses, the female unemployment rate reduced to a similar rate as men’s in Q3 and Q4 2020. This is mainly due to the sectoral composition and the type of occupations which women tend to be employed, which are mainly to be found in services and retail sales.

There was an overall increase in the number of men and women entering the labor force in 2020, causing a higher increase in the actual number of men and women out of work. Although the labor force participation rate for men and women decreased in 2020 as compared to 2019, the male labor force registered an increase from 9.5 million to a record 9.8 million persons. Meanwhile, the female labor force increased to 6.22 million persons from 6.1 million in 2019. Due to the higher male labor force participation rate, the number of men who are unemployed jumped sharply to more than 450,000 persons for three consecutive quarters, from Q2 to Q4 2020. During the same corresponding period, the number of women who are unemployed reduced from a peak of 335,000 persons in Q2 2020 to 296,800 persons in Q4 2020. It will be important to investigate further the reduction in unemployment rate which may mask other possible developments such as women and men seeking part-time work, increased under-employment, and incidences of informality.

FIGURE 4.28: Malaysia’s Unemployment Numbers and Rate by Gender, 2013 to 2020

Source: Department of Statistics Malaysia (DOSM) Data Bank, 2020

The female unemployment rate is higher than that for men in the 15-19 and 20-24 age ranges, as seen in Figure 4.29. The overall youth unemployment rate for both men and women are much higher than all other age ranges. The unemployment rate for both men and women drops drastically from ages 25-29, with both genders at the same unemployment rate. The gender gap reverses from the ages of 30 to 64, with men having a higher unemployment rate than women, except for the 55-59 age range. The lower unemployment rate for women may be due to the ‘single peak phenomenon’, with a decreasing female labor force participation rate beyond the age of 34.

**FIGURE 4.29 : Malaysia’s Unemployment Rate, By Gender and Age Range (2019)**

Women with tertiary-level qualification have significantly higher unemployment rates than men, with the highest incidence in rural environments. At all other levels, i.e. secondary, primary, and no formal education, female unemployment rates are lower than men, in Figure 4.30. This observation is seen in both urban and rural environments, with the unemployment rate becoming more acute for women with tertiary-level education living in rural areas at 8.3% and women in urban areas at 3.4%.

Women and men who have tertiary-level education have the highest rate of unemployment in both urban and rural environments, with only males with no formal education coming in highest in urban unemployment, see Figure 4.31. While small in number, this sub-population in rural areas can be targeted for employment interventions, as they have high motivation to work but may face barriers in accessing jobs within their physical proximity. Awareness regarding the various opportunities in work, and delivery models in which products and services can be delivered over digitally connected markets and businesses, may help in overcoming the unemployment issue.

**FIGURE 4.30 : Unemployment Rate by Gender and Education Attainment (2019)**

**FIGURE 4.31 : Unemployment Rate, By Gender, Strata, and Education Attainment (2019)**
The share of self-employed women has increased since 2010, coinciding with a declining share of women who are employees. Between 2010 and 2018, the share of men who were self-employed or own-account workers was flat, while the share of female self-employed increased from 11.6% to 19.5%, see Figures 4.32 and 4.33 respectively. At the same time, the share of women who were employees declined from 79.5% to 71.2%. Because women’s labor force participation rose during the 2010–2018 period and new forms of work such as those in the “gig” economy emerged, it is likely that the changes in the share of self-employed workers and employees were at least partly due to the choices made by women entering or re-entering the labor market, such as a desire for more flexible work arrangements.

Among both men and women, qualitative underemployment has increased in recent years, and women have a much rate of quantitative underemployment compared to men. In Figure 4.34, 5.7% of employed women were qualitatively underemployed (employed in an occupation whose skill requirements were below their educational level), as compared to men at 6.1% in 2017. In Figure 4.35, 12.6% of employed women, as compared with 7.7% for men, were quantitatively underemployed (employed for fewer than 30 hours a week). For both genders, qualitative underemployment rose appreciably between 2010 and 2017, while quantitative underemployment remained relatively high, fluctuating within a range of 2.5 percentage points over the same period.
Women engaged as own-account workers, unpaid family workers, or in the informal sector are unlikely to have the same productivity and social protection as formally employed workers. Out-of-necessity self-employment may trap women in a relatively unproductive and unprotected situation. That is particularly the case because Malaysia’s pension and social insurance administered by the Employees Provident Fund (EPF) and the Social Security Organisation (SOCSO)—including work injury insurance, disability and survivorship insurance, and unemployment insurance—is either directly tied to an employer-employee relationship, or in practice has much higher coverage for employees than for own-account workers. This shows that while many women—including many of the most vulnerable from the B20 urban poor and single mothers—prefer informal employment because they see it as a better route to reconciling work and family life, many of these women also struggle with low protection and productivity.
Constraints to Women’s Work

Housework is the main reason that women do not participate in the labor force. In the World Bank Report 2019, the top reason consistently cited by women as the key barrier to remaining in the labor force is housework, which include child and elderly care.\(^{28}\) In 2018, 60.2% of women who did not participate in the labor force cited housework, while only 3.6% of men cited the same reason for not seeking work, see Figures 4.36 and 4.37. The most commonly cited reason for not seeking work for men is schooling. A total of 30.6% of women and 63.1% of men gave schooling as the reason for not seeking work.

Regardless of ethnicities and religions, prevalent cultural values and social norms continue to see women as primarily responsible for the provision of care at home. A striking finding in the World Bank 2019 Report found that for all main ethnic groups in Malaysia, social norms remain relatively traditional. Based on Figures 4.39, across Bumiputera, Chinese, and Indian respondents to the World Value survey, more than 60% of men and a significant share of women agree with the statement “When jobs are scarce, men should have more right to a job than a women”, the same reason for not seeking work, see Figures 4.36 and 4.37. Qualitative field work conducted for this report confirms that while many women in Malaysia would like to have a successful labor market career, first and foremost they feel responsible for their families and the upbringing of their children (or sometimes their grandchildren in the case of older women).\(^{29}\)

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\(^{28}\) In the questionnaire of the Malaysian Labour Force Survey, the full reason is cited as “housework / family / community responsibilities.”

\(^{29}\) Consistent with the evidence that social norms have been slowly changing over time, the World Values Survey also shows that younger survey respondents are less likely to agree to the statement “When jobs are scarce, men should have more right to a job than women.” Whereas 83.3% of men born between 1932 and 1940 agreed with this statement, only 68.7% of those between 1991 and 2000 did.
The finding that housework is the biggest constrain to women’s labor force participation is further corroborated by multiple surveys conducted over different time periods on a wide range of stakeholders, ranging from white-collar educated urban professionals to semi-skilled workers. A survey conducted by accounting and finance professionals by ACCA and TalentCorp (2016) found that the four most common reasons women gave for leaving the workforce were “to raise a family” (65%), “lack of work-life balance” (43%), “to care for a family member” (38%) and “childcare is too expensive” (35%). Similarly, a survey by the Ministry of Women, Family and Community Development (MOWFCD) and UNDP (2013) records that 66.9% of married women who do not work give “to look after children” as the reason, and that 53.3% of married women with children rely on relatives for child care (and only 25.8% on childcare centers). The Ministry of Human Resources (2019) presents survey-based evidence where the need to take care of children or grandchildren is the most common reason for older women to exit the labor force.

In the absence of childcare options for children of all ages, a large number of women feel compelled to stay out of the labor market. In Malaysia, childcare is defined as the early years, ages 0 – 4 years, and the standards and registration of childcare centers are governed and monitored by the Ministry of Women, Family and Development. There are various incentives offered under the Budget Speeches from 2012 to 2021 to encourage the private sector to set-up childcare centers, and the allocation to government buildings for new centers. However, the facilities are limited to the early years. Thus, it will be important for the Government to expand the definition of childcare to cover for all ages from 0 to 17, and to encourage various modalities and financing options to cater for different household income levels.

Compounding to the lack of childcare catering to children of all ages, there is a decline in the number of aged-care workers in a nation that will be an aging country by 2030. In the World Bank 2020 report, there were 388,000 aged-care workers in 2017, a slight decline as compared to 2011. During the same period, the share of aged-care workers among total employment also declined, from 2.6% to 2.1%. Figure 4.40 and Figure 4.41 show that the decline was primarily due to a decrease in the number of domestic workers. This number dropped from 226,000 in 2011 to 106,000 in 2017. The majority of domestic workers are women and non-citizens. The report advocated a demand-driven labor migration policy, which can help address the shortage of aged-care workers in the near and medium term, and also foster broader policy goals. Additionally, Tan and Gibson (2013) and KRI (2018) argue that the presence of a domestic worker in a household is positively correlated with female labor force participation.
Chapter 4: Economic Opportunity

Malaysia Country Gender Note 2021
CHAPTER 5

Emerging Areas of Concern
Key Findings

- **Malaysia has been identified a hotspot and dumping ground of the world’s marine plastic waste.** Malaysia need a comprehensive view of the entire supply chain and an action plan on plastic management, and to develop gender-sensitive guidelines to engage and empower women in plastic waste management.

- **In Malaysia, there are land rights and environmental justice concerns with regards to women in rural communities, particularly in East Malaysia.** In Sarawak, there are cases of top-down land management and deforestation, which have led to unequal gender impacts in the community.

- **More study is required to understand the vulnerabilities brought about by gendered environmental impacts, with a view to understanding the different roles and needs of women.** Sound policies need to be put in place to empower women to manage the environment, in their roles as managers, policymakers, and community members.

Climate Change and Marine Plastics in Malaysia

**Climate change is one of the most critical global concerns to address in the 21st Century.** Malaysia is situated in the heart of SEA, one of the most dynamic, fast-growing regions in the world. The country is divided into two geographical areas, one the Peninsular Malaysia with a much higher concentration of population and economic activity, and East Malaysia (the autonomous states of Sabah and Sarawak) in the island of Borneo. Over the past few decades, the region has seen higher temperatures, and a sharp rise in the frequency of extreme weather events including droughts, floods, and tropical cyclones. These events will result in declining freshwater and crop yields (affecting food security), increasing loss of forests and agriculture lands, rising sea levels, and a surge in infectious diseases such as dengue and malaria. In a 2020 report by McKinsey Institute, SEA could potentially face more severe consequences of climate change than other parts of the world.

**On the issue of marine plastics, Malaysia has been identified a hotspot and dumping ground of the world’s plastic waste.** In 2019, ASEAN countries collaborated to manage the plastic waste by signing an agreement on “the Bangkok Declaration on Combating Marine Debris in ASEAN Region” and establishing the “ASEAN Marine Plastics Framework of Action”. The World Bank Group supports the region and Malaysia’s development of an action plan on marine plastic management, and gender guidelines to promote equality and empower women engaging in marine plastic management. Recent evidence indicates that there is an association between gender and usage of plastic, and its effect on the environment and population’s health. For example, women are more likely to buy consumer goods and deal with waste disposal because of their role as the main family caregivers. Thus, women are important stakeholders on reducing plastics and handling waste. Furthermore, the low quality of waste management systems, particularly in the informal sector, could increase health risks among workers. The increase of diseases could lead to an increasing number of women as family caretakers for sick children and family members, causing the loss of their income. Thus, the country needs laws and policies to incorporate gender-sensitive and gender-responsive measures to tackle plastic production, waste management, and related health and safety issues.

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Women in Rural Communities and Land Rights

The key issues are deforestation, logging, and land use, particularly in rural or indigenous communities, especially in East Malaysia. Top-down environmental planning by the state governments, in which land use is a state prerogative, has led to social and economic consequences, and the creation of new patterns of wealth and poverty. There is a dearth of studies on this topic in Malaysia, but there were two case studies conducted by the Asia Pacific Research Centre for Women (www.arrow.org.my) and PENITA – a social enterprise initiative working with grassroots women leaders towards advancing issues of environmental stewardship, gender, and sustainable development. Both case studies are based in Sarawak, East Malaysia. Below is a schematic of gendered environmental impacts drawn up for these two cases.

**FIGURE 5.1: Impacts of Climate Change on Population and Health – Framework**

- Extreme Weather Patterns: E.g., increase in rainfall, changes in rainfall/drought seasons
- Land grab/change in land use patterns (loggings/National Parks/Corporate Farming/Mining/Dams)
- Degraded Ecosystem

Reduced access to resources / Loss of biodiversity (land, biodiversity)

Reduced crop quantity and quality / Loss of food security

Increased livelihood insecurities

Increase community vulnerabilities including cultural identity/heritage

Access to Resources

Stable Livelihoods Options Better

Health and SRHR Services Natural Resources Conservation

Participation in Decision Making

Climate Resilient Communities

Increased in Women’s Household Burden

Increased in Community Burden / lack of information and decision making

Increased vulnerability to calamities

Increased vulnerability to gender-based violence

Poor services on Health and SRHR/Poor Health

Source: Arrow, PENITA 2015 – Policy Brief

**Case Study #1: Arrow & PENITA’s Study of Indigenous Communities in Sarawak (2015)**

According to women leaders of Sarawak’s indigenous communities, their rural communities are experiencing significant changes in crop patterns, production, and unpredictable weather patterns including changing temperature, longer drought, intense rain, and stronger winds. They attributed these changes to the changes in land-use. Large acreage of the forests were converted into plantations and infrastructure development, such as large dams and urbanization. They also raise critical concerns on the lack of gender inclusion in planning and development processes, ignoring the differences of priorities and needs. The research also found that there remain persistent challenges in gaining access to basic healthcare services, in terms of delivery frequency, quality, and urgency, which further impede women’s sexual and reproductive health, which in turn affects their resilience to natural disasters and climate change.

**Case Study #2: Heyzer Study on Limbang Community in Sarawak (1995)**

A study on the Limbang district in Sarawak (Heyzer 1995) was conducted on the impact of deforestation and associated changes in state government policy towards farming systems and land rights. The research examined the impact of environmental change on competing livelihood systems in the district. For the four ethnic groups studied, gender relations have been exposed as an important variable in understanding community responses to declining resource availability. Differentiated property rights and divisions of labor are more marked, and will increasingly require complex negotiations of conflicts of interests between men and women over resource management, allocation, utilization, and entitlement.
According to World Bank projections, Malaysia is likely to make the transition from an upper-middle-income economy to a high-income economy by around 2025, in spite of a recession in 2020 triggered by the COVID-19 pandemic. This transition to a high-income status can only be sustainably achieved in the longer term when Malaysia has put in place policies and create an enabling environment which will allow all its people, men and women, to participate meaningfully in the economy.

In Malaysia, more girls than boys are staying longer in schools, and they are doing better. However, with a single-peak female labor force participation, many women are leaving the labor force between the ages of 30 to 34, and they are less likely to return. They leave the labor force at mid-career, after nearly 10 years of work experience and skills gained, which represent a large loss of talent that the country would need to harness and maintain its journey toward high-income and developed nation status.

Malaysia needs to ensure that it achieves its economic development objective by focusing on both quantity and quality of growth, and in particular (as this gender diagnostic note makes clear), to substantially increase its female labor force participation rate, create an enabling environment to ensure its well-educated workforce remain productive longer, increase the retirement age, implement policies to promote healthy aging, and encourage older females to continue contributing to the economy and society.

The following recommendations will help guide the priority areas for the WBG Hub to consider incorporating in the country gender action plan, engage a wide variety of stakeholders, and periodically promote gender issues in the media to raise awareness.

(1) Work closely with relevant Hub teams on relevant aspects of the human capital development work program, to integrate gender analysis more effectively into selected aspects of the Hub work program.

(2) **Engage with the Malaysian Government to maintain its resolve, urgency, and priorities to continue pursuing legal reforms in its labor laws**, as well as table the new Gender Equality and Sexual Harassment Bills, as they would provide a strong signal and create a more enabling environment for women to pursue her economic opportunities.

a. **In the areas of labor law reforms**, the amendments would include:

- Legally mandate nondiscrimination in employment based on gender and equal remuneration for work of equal value in all relevant labor laws including the Employment Act, Industrial Relations and Trade Union Acts. Although Article 8(2) of the Federal Constitution explicitly prohibits discrimination based on gender, the prohibition of discrimination only binds the Government, not private parties, such as those agreeing on an employment contract or negotiating a collective agreement. Therefore, it would be important to have a comprehensive set of labor reforms for meaningful enforcement, and ensure that there are no loopholes.

- Abolish the restrictions in the Employment Act which prohibit women to work at night in any industrial or agriculture undertaking, and in underground work. While such legal restrictions might have had the worthwhile objective in the past of protecting women, there are other comprehensive measures, laws, and provisions that Malaysia can put in place to protect and ensure the safety of workers.

- Introduce paid paternity leave of substantial duration such as seven days. This will send a strong message on shared responsibility for both mothers and fathers, and it will also recognize the father’s growing role of taking care of babies and children in modern families.

- Prohibit the dismissal of pregnant women and assure that this prohibition cannot be circumvented by private contracts or collective agreements. Therefore, amendments to the Employment Act and related labor laws such as the Industrial Relations and Trade Unions Acts would be crucial to close this loophole.

- Make maternity leave of at least 14 weeks after childbirth compulsory, in line with the internationally recognized minimum codified in the ILO’s Maternity Protection Convention.
b. **Table the new Bills on the Gender Equality Act and the Sexual Harassment Act**, and introduce criminal penalties or civil remedies for sexual harassment in employment. Addressing this issue and extending legal protection beyond workers to self-employed and ‘gig’ economy workers would constitute important further progress.

(3) **Improvements in the policy responses on childcare**, which would include the following:

   a. Expand the definition of childcare to cover all children from ages 0 to 17 years, and not just the early years.

   b. Increase the different modalities of childcare provision, especially for the B20 urban poor, through increasing the availability of free quality childcare at home, workplace, schools, or in community centers. This is a form of targeted social assistance for low-income families, and these provisions will enable women to work more sustainably and in formal jobs.

   c. Improve upon childcare regulations and processes, and promote the tax incentives provided in the Budget Speeches to encourage employers and building operators to provide childcare facilities.

(4) **Engage with the Malaysian Government on advocacy to companies to implement flexible forms of work** such as home-based work, flexible working hours, and part-time work. While flexible forms of work are becoming increasingly acceptable due to the impact of COVID-19, they continue to be the exception rather than the norm, especially among SMEs and companies where systems or processes are not fully digital. Therefore, it would be important to have low-costs solutions, policies, and incentives to encourage SMEs to digitalize their businesses. While flexible forms of work are important to keep women formally employed, it is also important to enable women to return to work full-time as and when possible. Moving up the career ladder to senior level, decision-making positions would require women to be able to return to clear career pathways.

(5) **Malaysia needs to prepare for a gendered response to an aging population**, as women are living longer than men, but with a shorter duration in the labor force, with subsequent smaller savings and pensions. Compared to other upper-middle- and high-income countries, the employment rate of persons aged 50 to 74 in Malaysia is relatively low. The Government must actively encourage older female participation in the labor market. To address the country’s projected aging population, the Government should consider extending the official retirement age, and review it progressively, as well as the eligibility age for claiming old-age pension to keep elderly workers in high-skilled jobs and in the formal sector. Providing more incentive schemes could also induce workers to work longer, and extend the coverage to the elderly in the informal sector.

(6) **Women are crucial stakeholders to be engaged as decision-makers and solution providers in reducing plastics and handling waste management** at home and in the workplace. The country would need laws and policies to incorporate gender-sensitive and responsive measures to tackle plastic usage upstream, waste management, marine plastic pollution, and related health and safety issues. More gender analysis and research on different aspects of climate change and marine plastic management are needed to better inform policy formulation in these areas.
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