

# Realizing the Demographic Dividend

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**Seminar on 'Major Population Challenges in Malaysia'**  
*in conjunction with WORLD POPULATION DAY 2019*  
**11 July 2019 (Thursday)**



**Universiti Malaya Alumni Clubhouse (PAUM)**

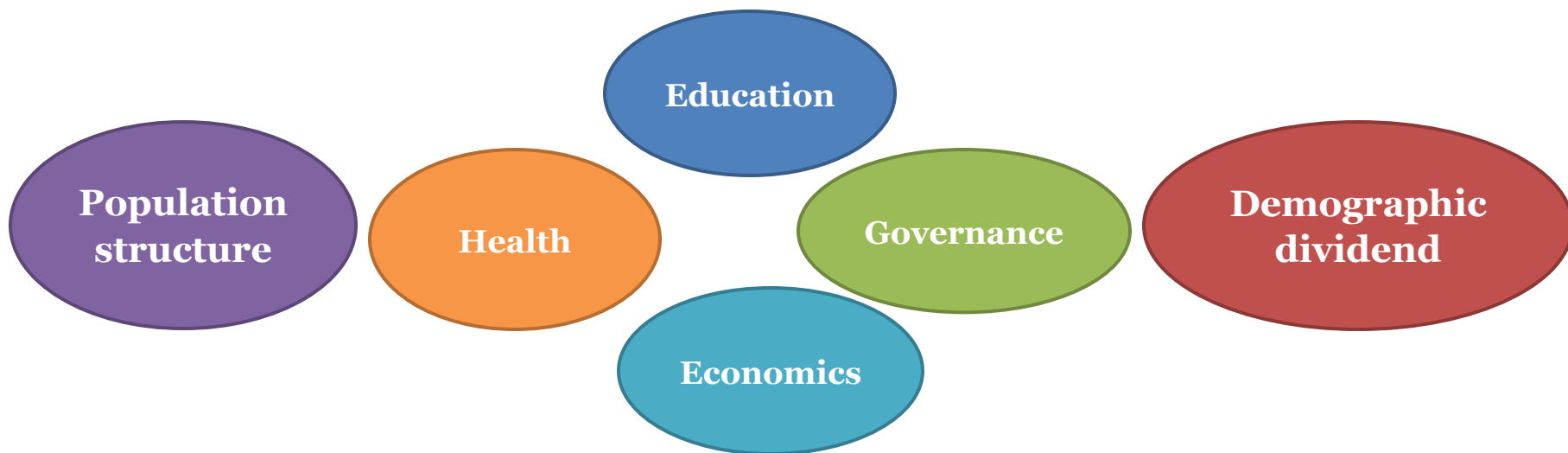
# What is the demographic dividend (DD)?

- The accelerated economic growth that **MAY** result from age structural changes due to a decline in the death rate and birth rate.
- DD is not automatic. In order for economic growth to occur young people must have access to quality education and health care (SRH), and have the opportunities to gainful employment.

# Mechanisms for delivering the benefits of demographic dividend

- Ability of the economy to absorb the increased labor supply
- Increase in saving
- Human capital enhancement
- Increasing domestic demand brought about by the increasing GDP per capita

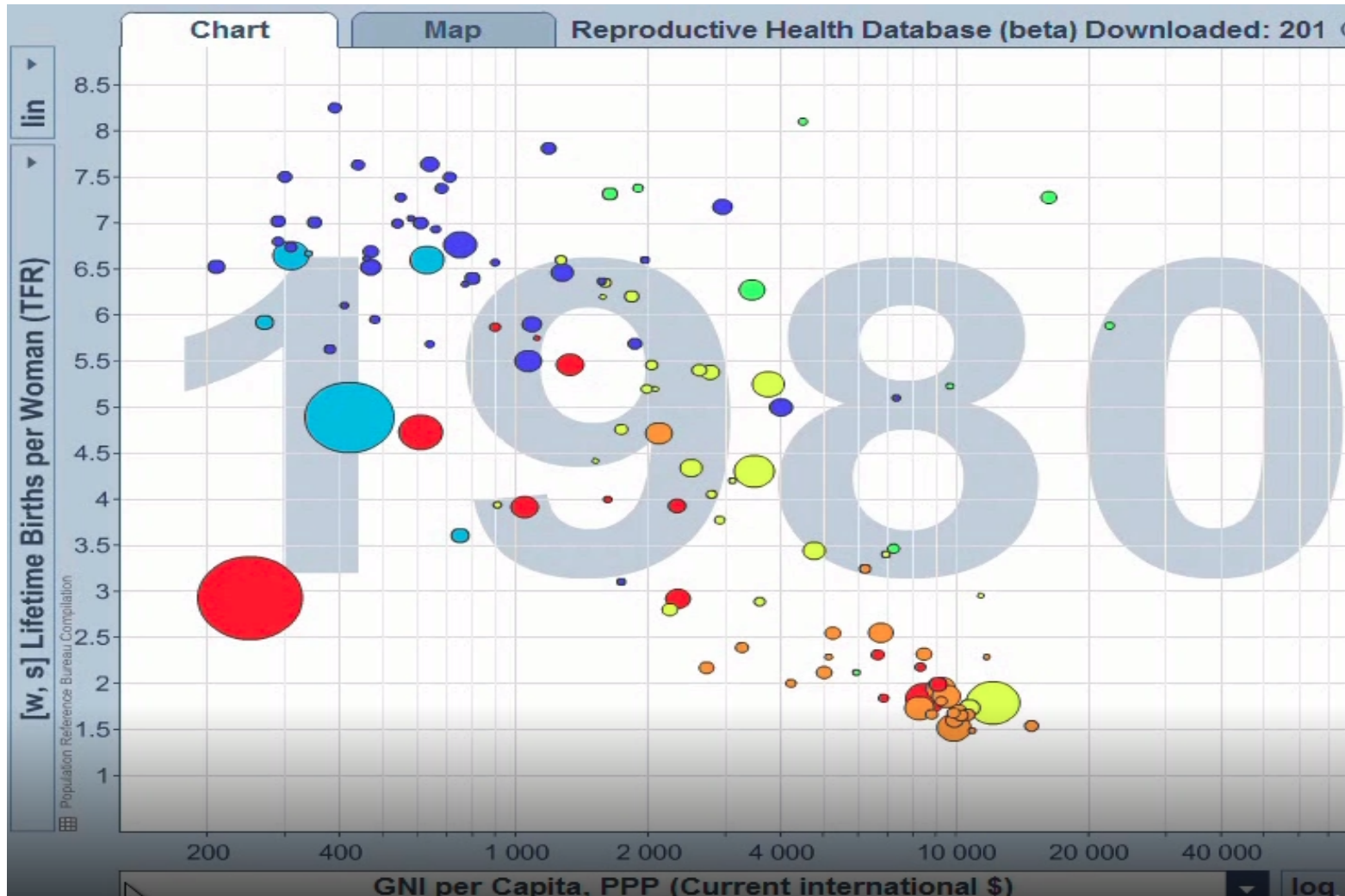
# Harnessing the demographic dividend



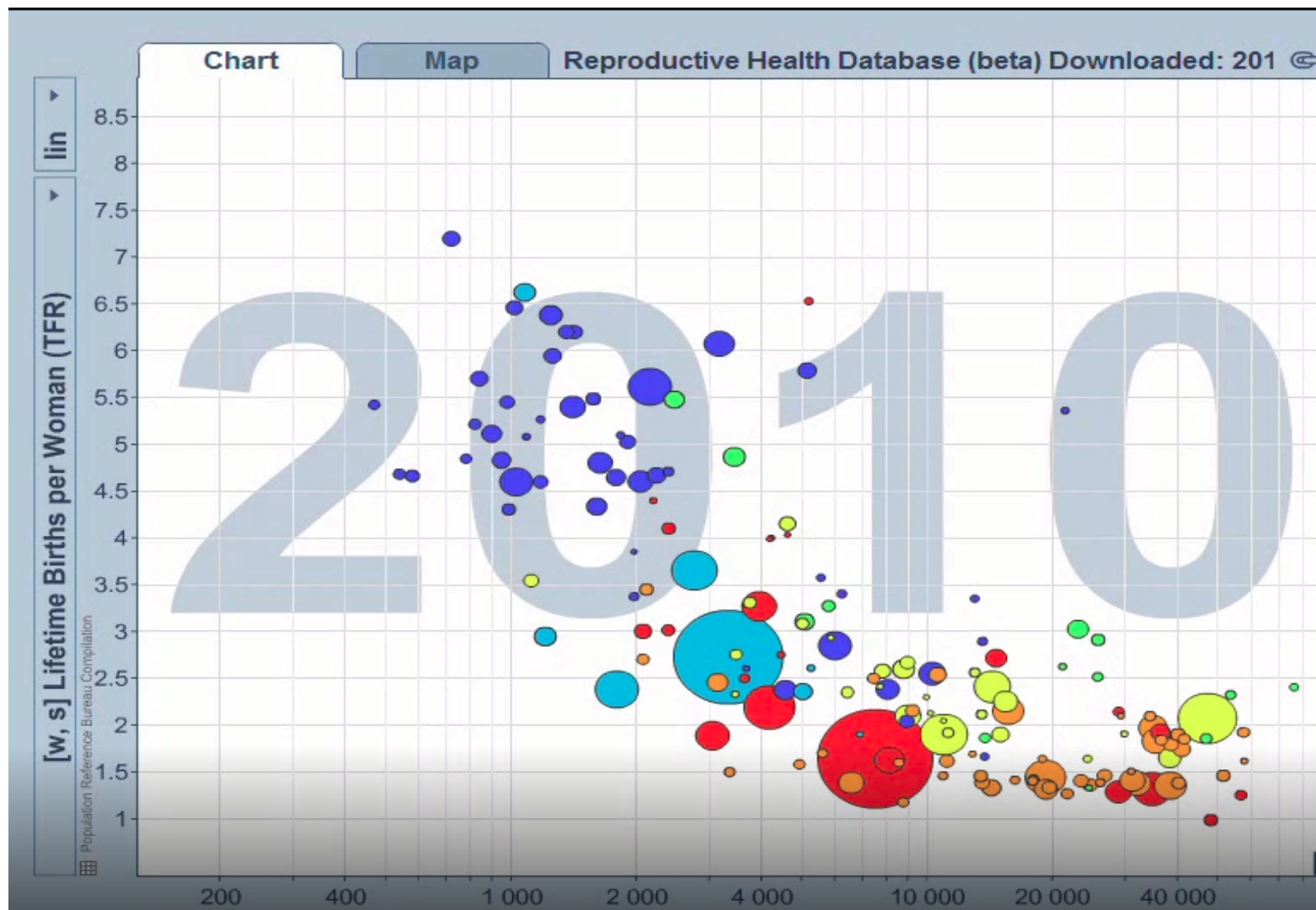
# Declining fertility results in age structural changes and DD

- Lowering the fertility as changing the age structure is the necessary first step to open up the window of opportunity to harness the demographic dividend

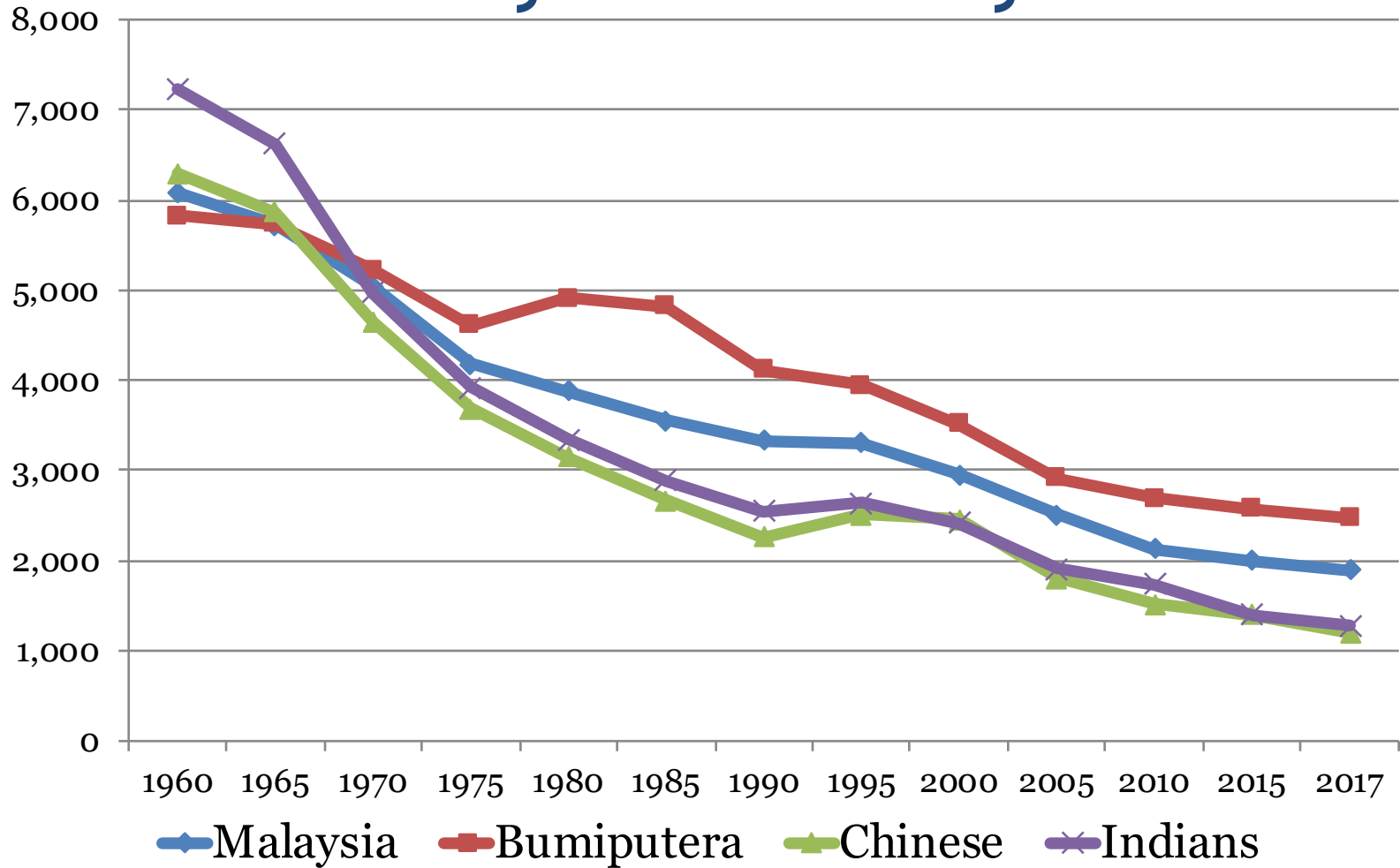
# GNI per capita (PPP) and TFR- Asia/Africa



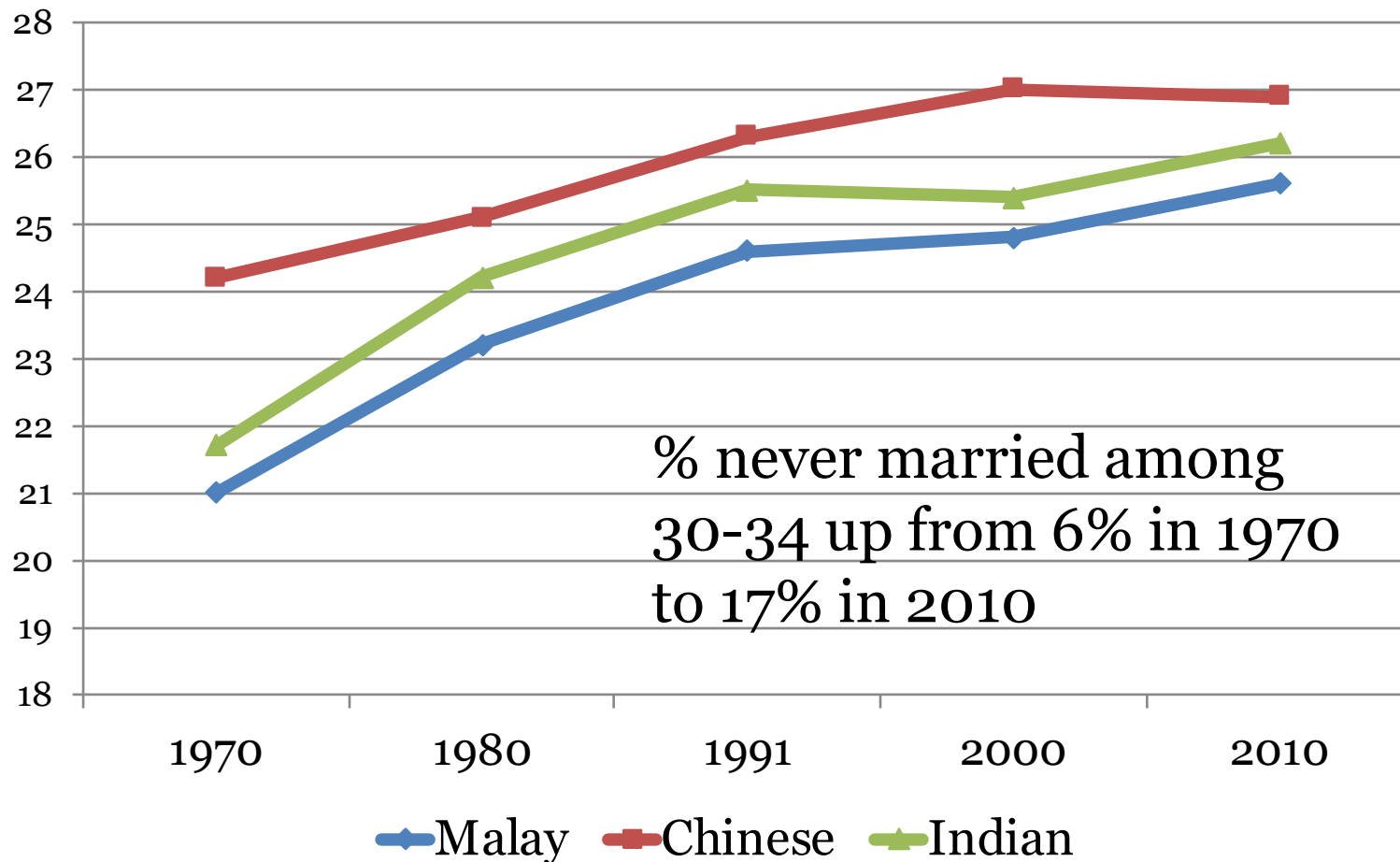
# GNI per capita (PPP) and TFR -Asia has moved ahead with low fertility



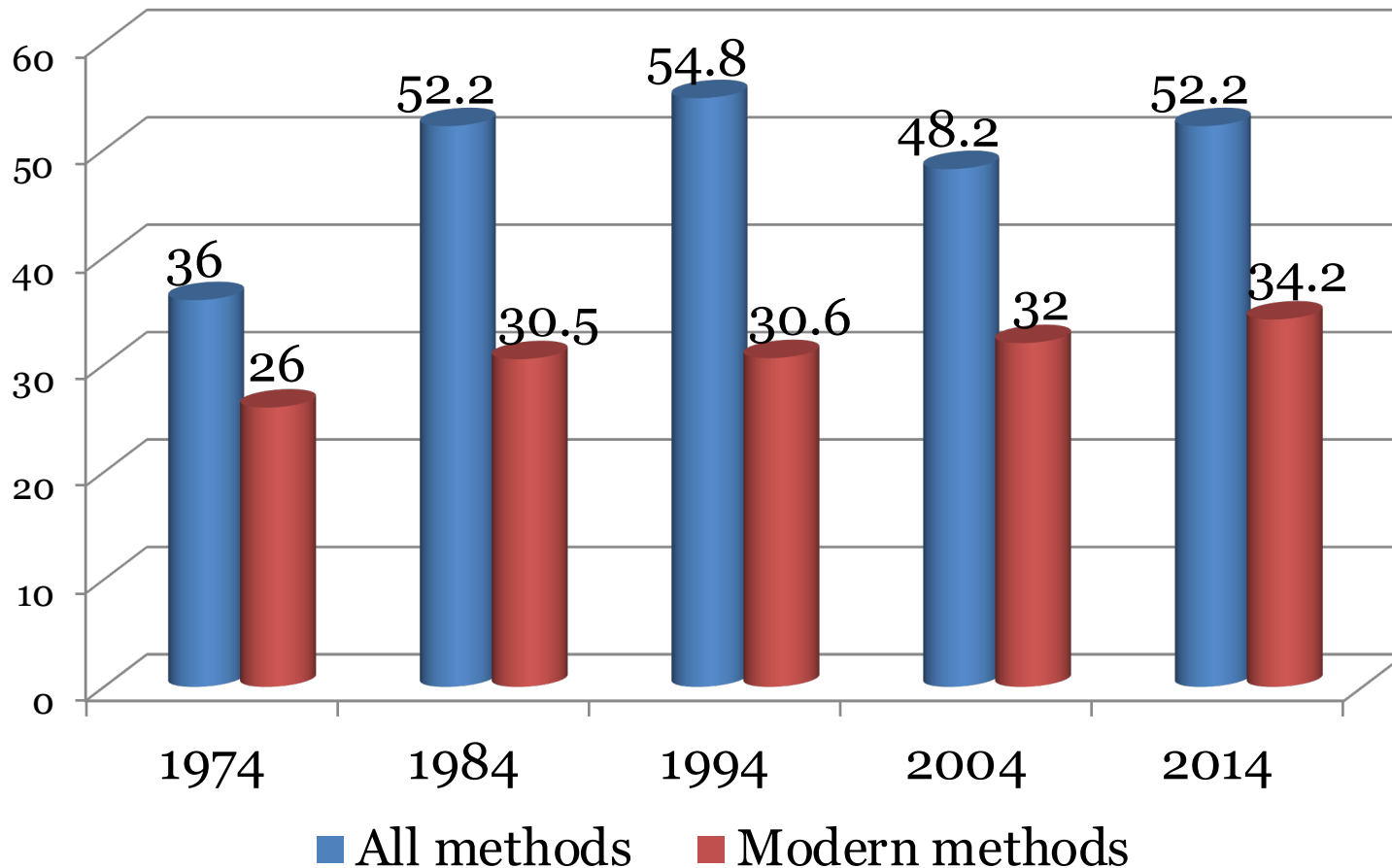
# Total fertility rate-Malaysia



# Rise in age at marriage and non-marriage



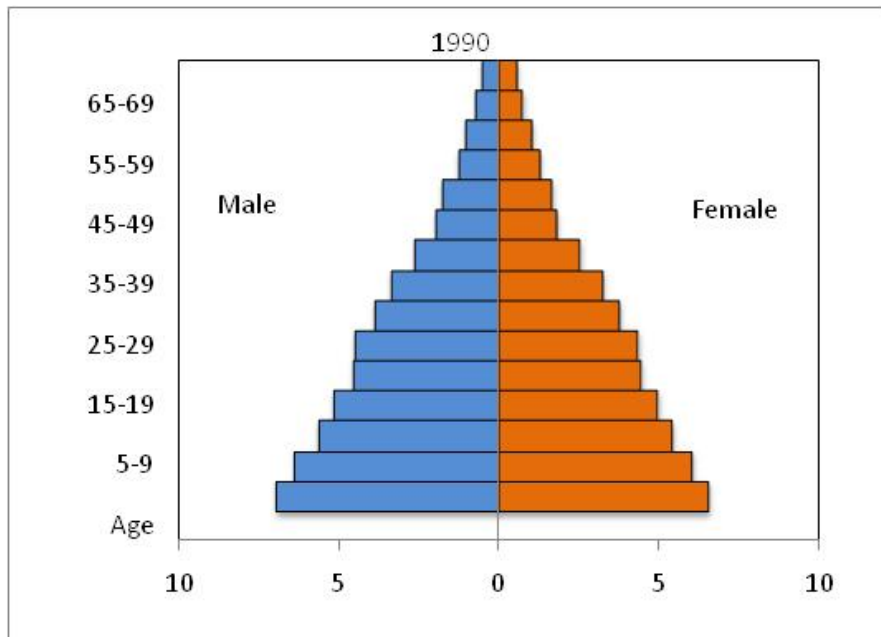
# Contraceptive prevalence rate



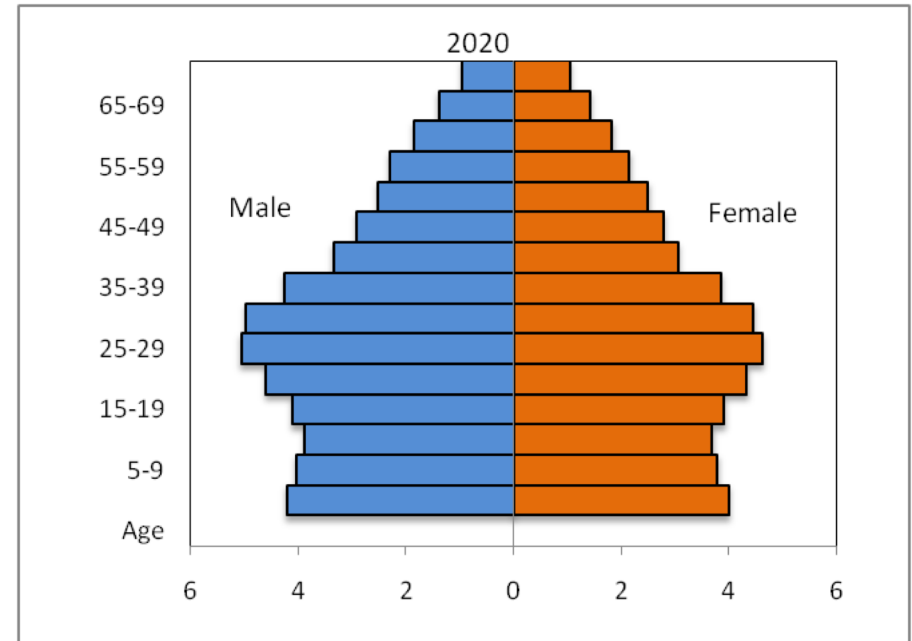
# Population growth and age structural changes

# Population Pyramid, 1990, 2020

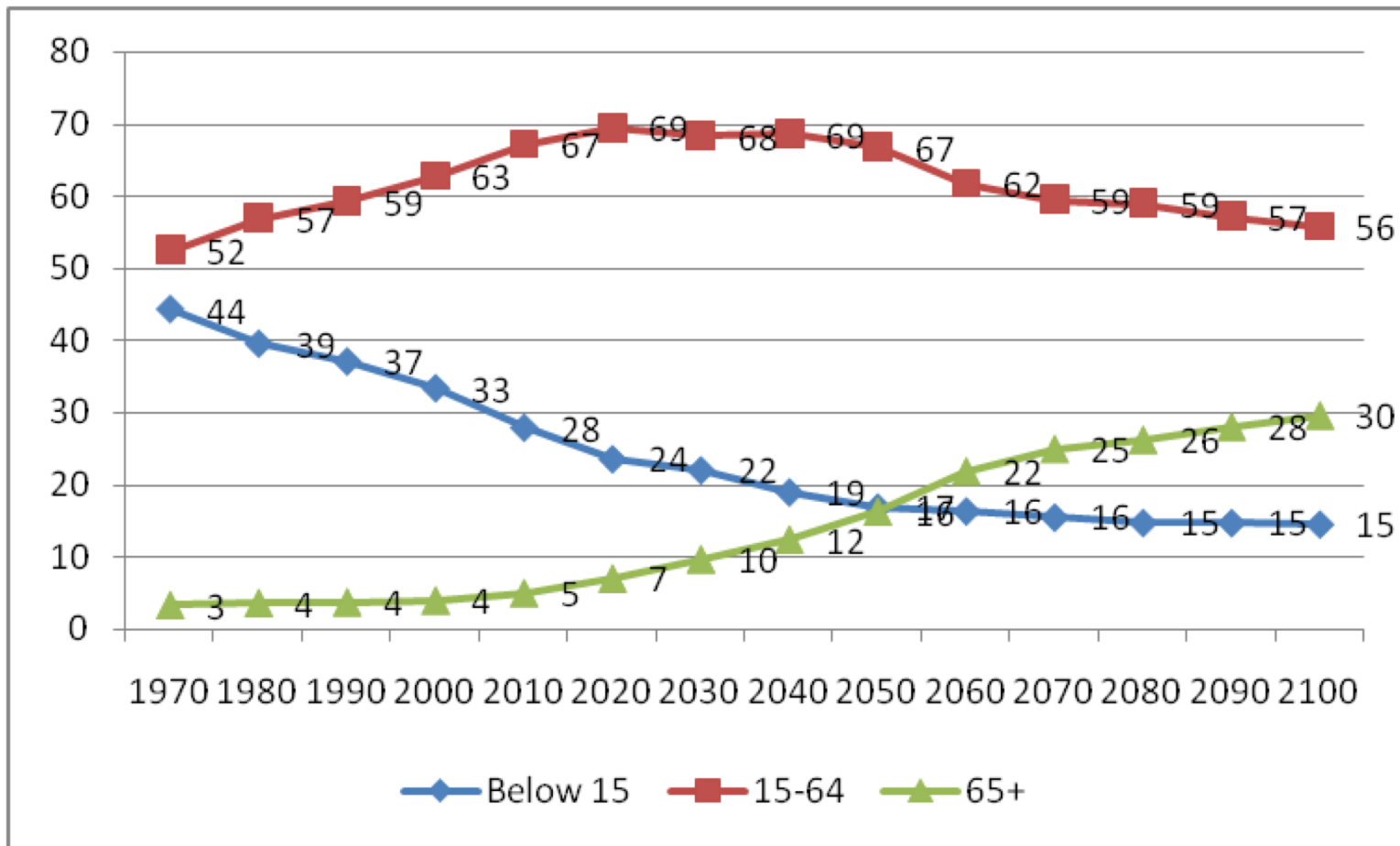
## 1990



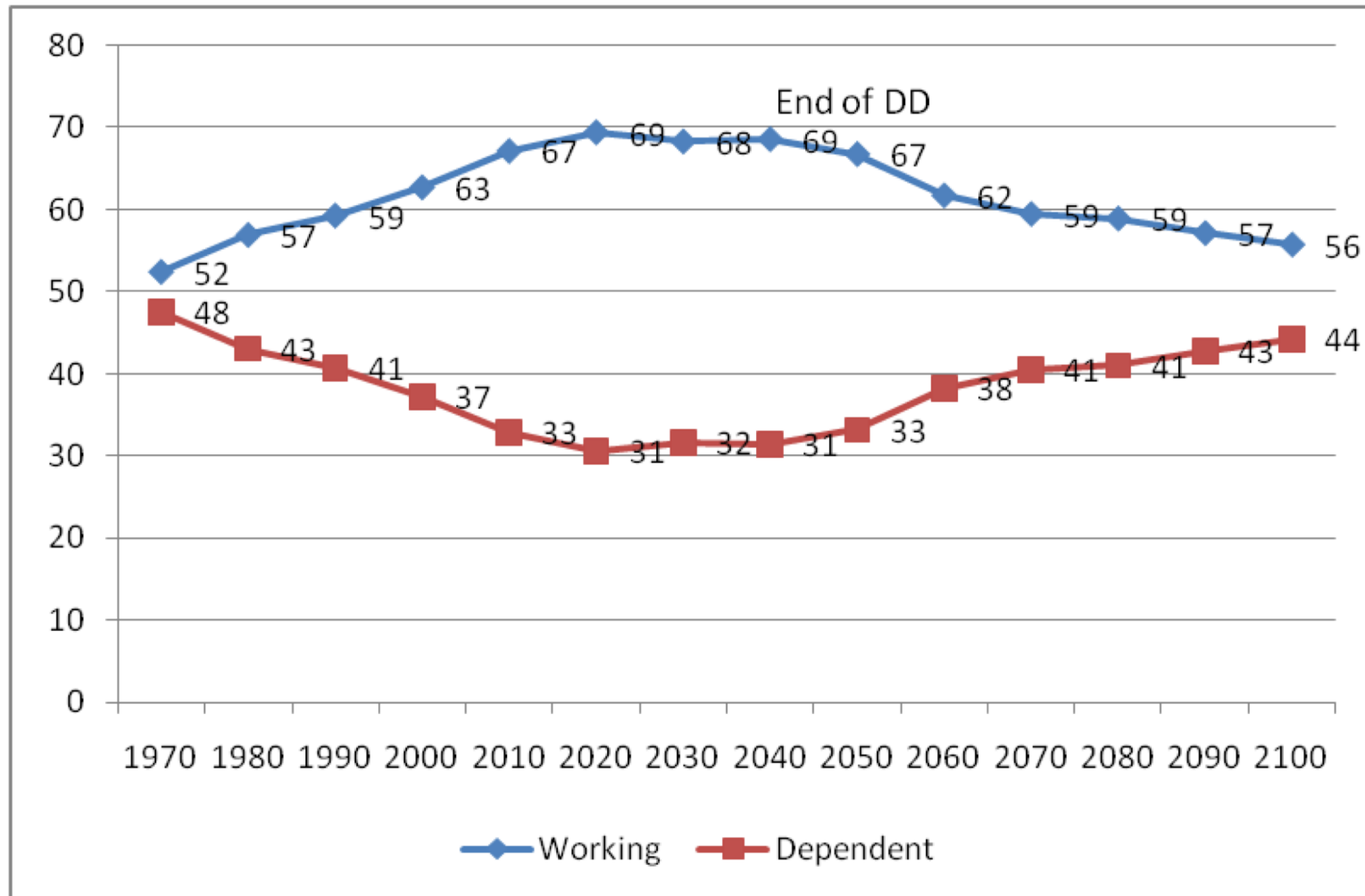
## 2020



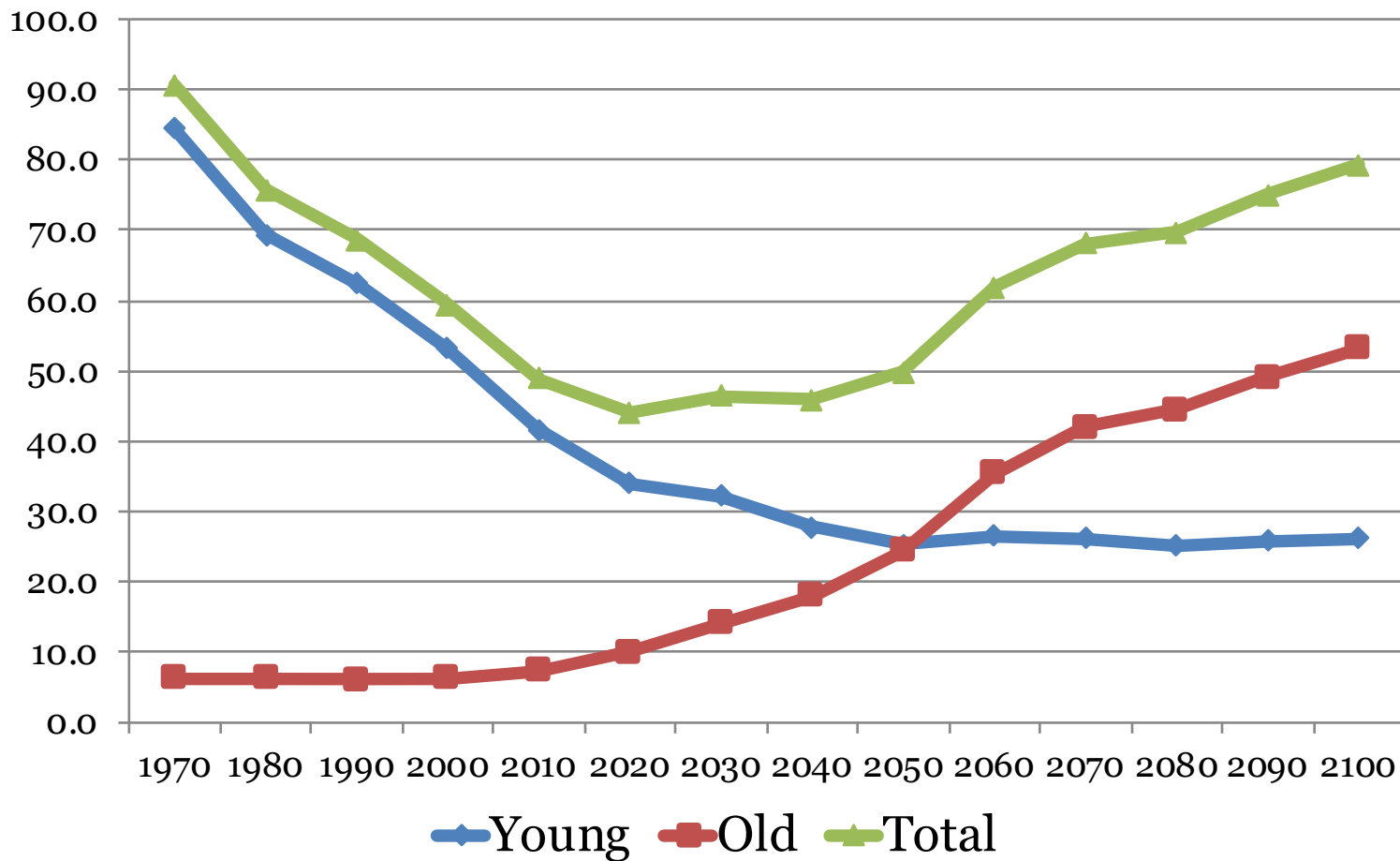
# Age structural changes



# Working age vs dependent population



# Dependency burden

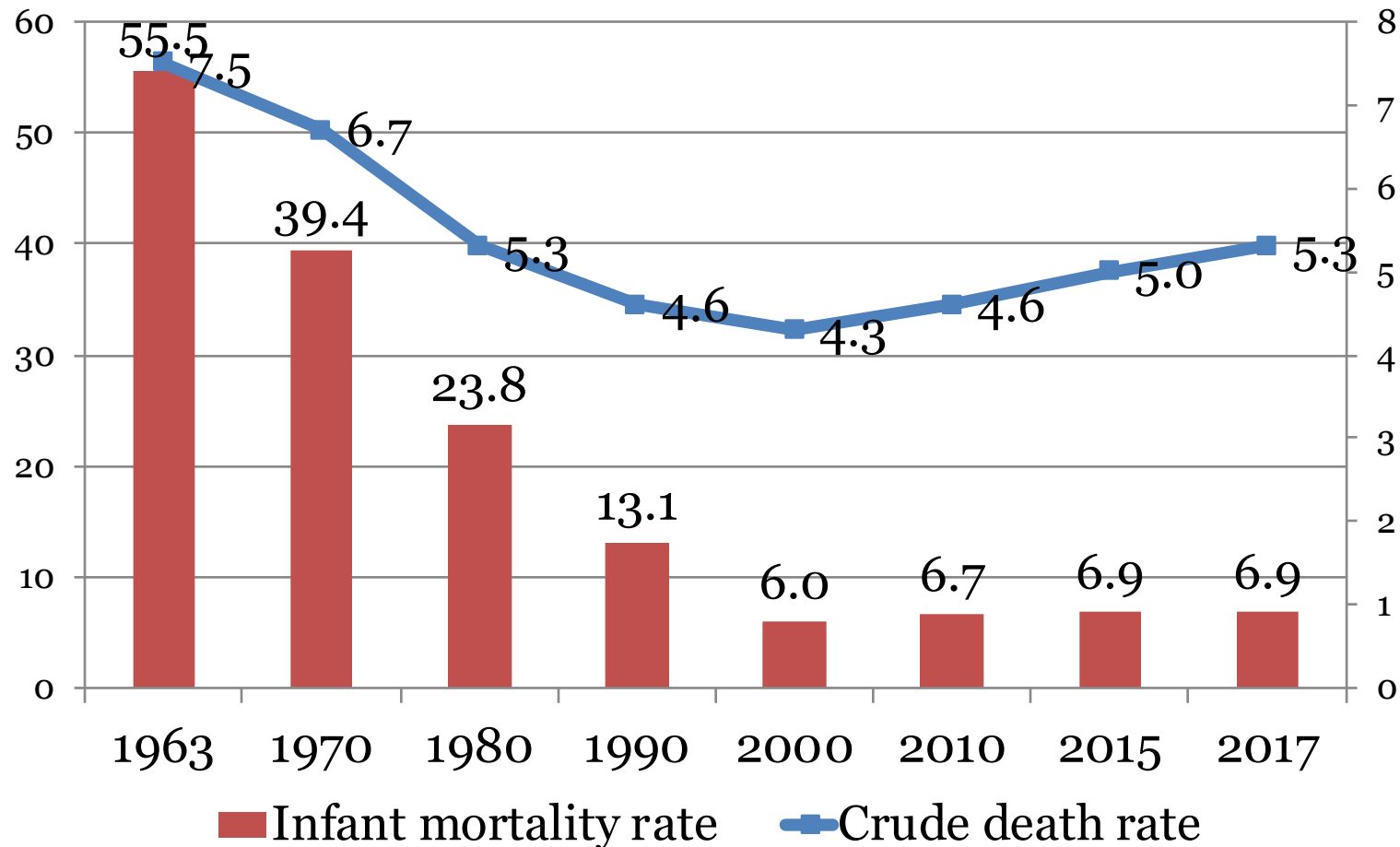


# Improvement in health care and health status

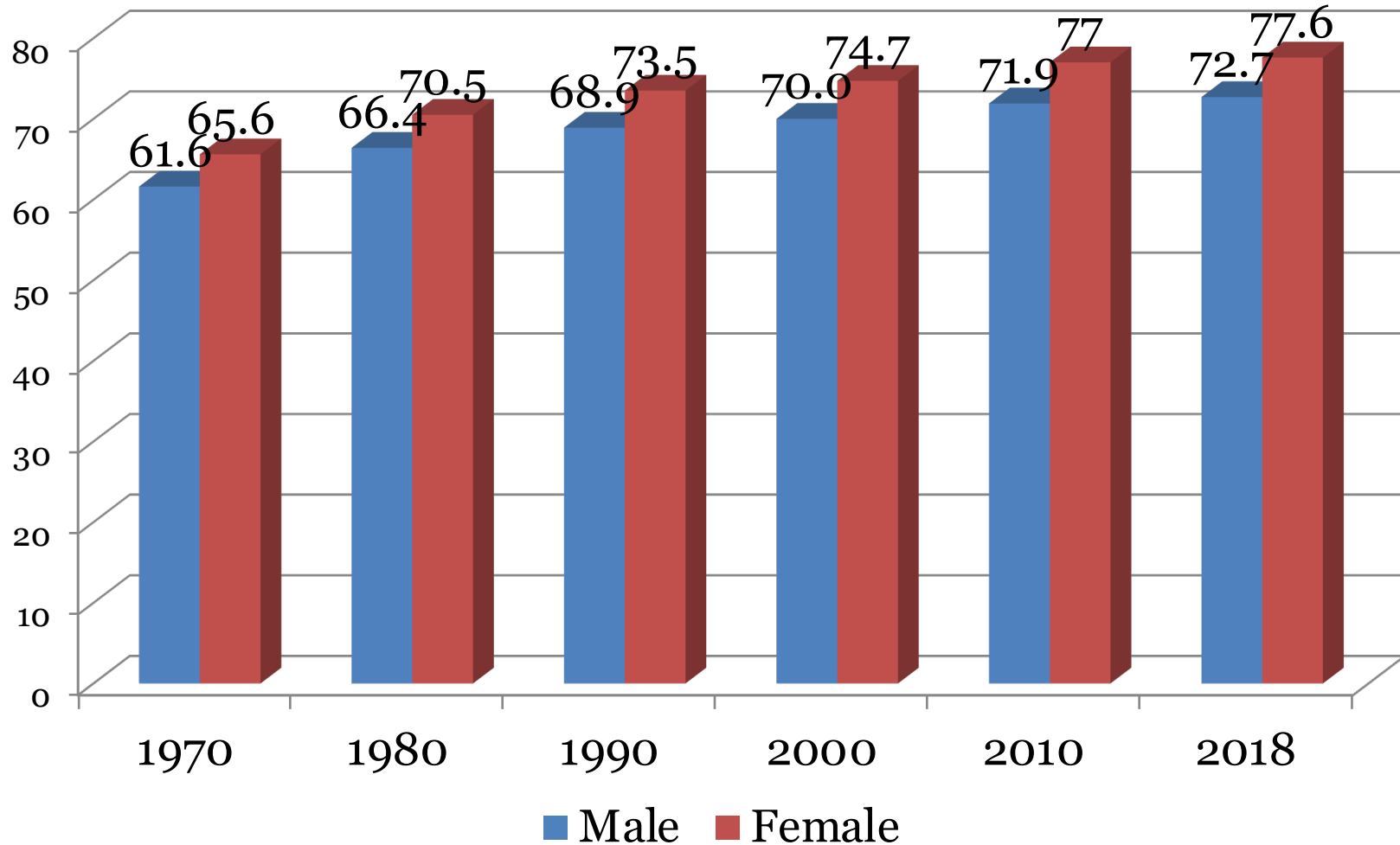
# Improvement in health care system

Indicators	1980	1990	1997-2000	2015-17
% of children < 1 year immunized for DPT	67	89	-	96.4
Antenatal coverage	-	-	-	98.5
% of children < 1 year immunized for measles	-	70	88	93
% of births attended by skilled health staff	88	-	-	99.5
Doctor-population ratio	3,568	2,533	1,521	671
Nurse-population ratio	2,072	1,556	1,360	312

# Crude death rate and infant mortality rate

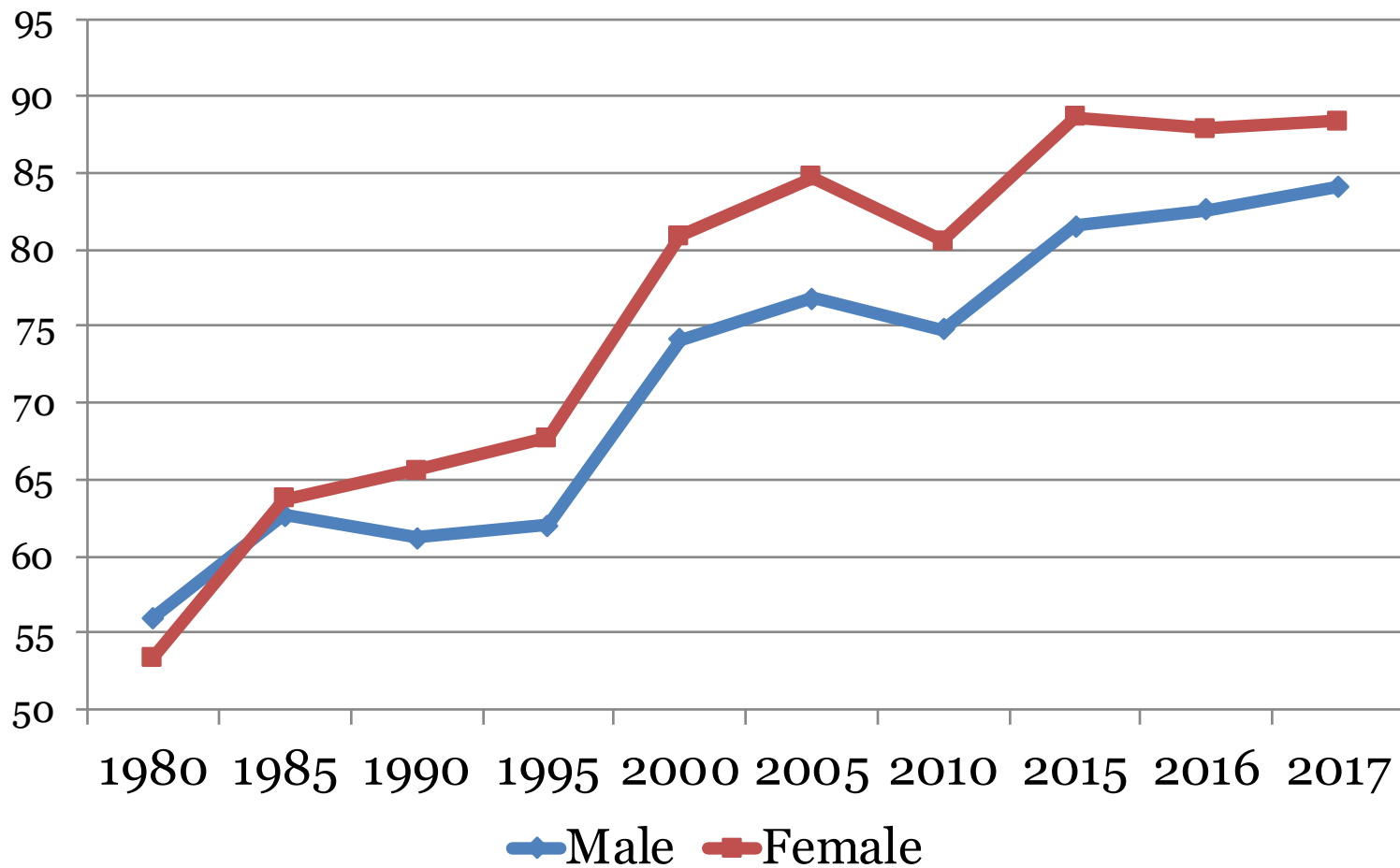


# Life expectancy at birth

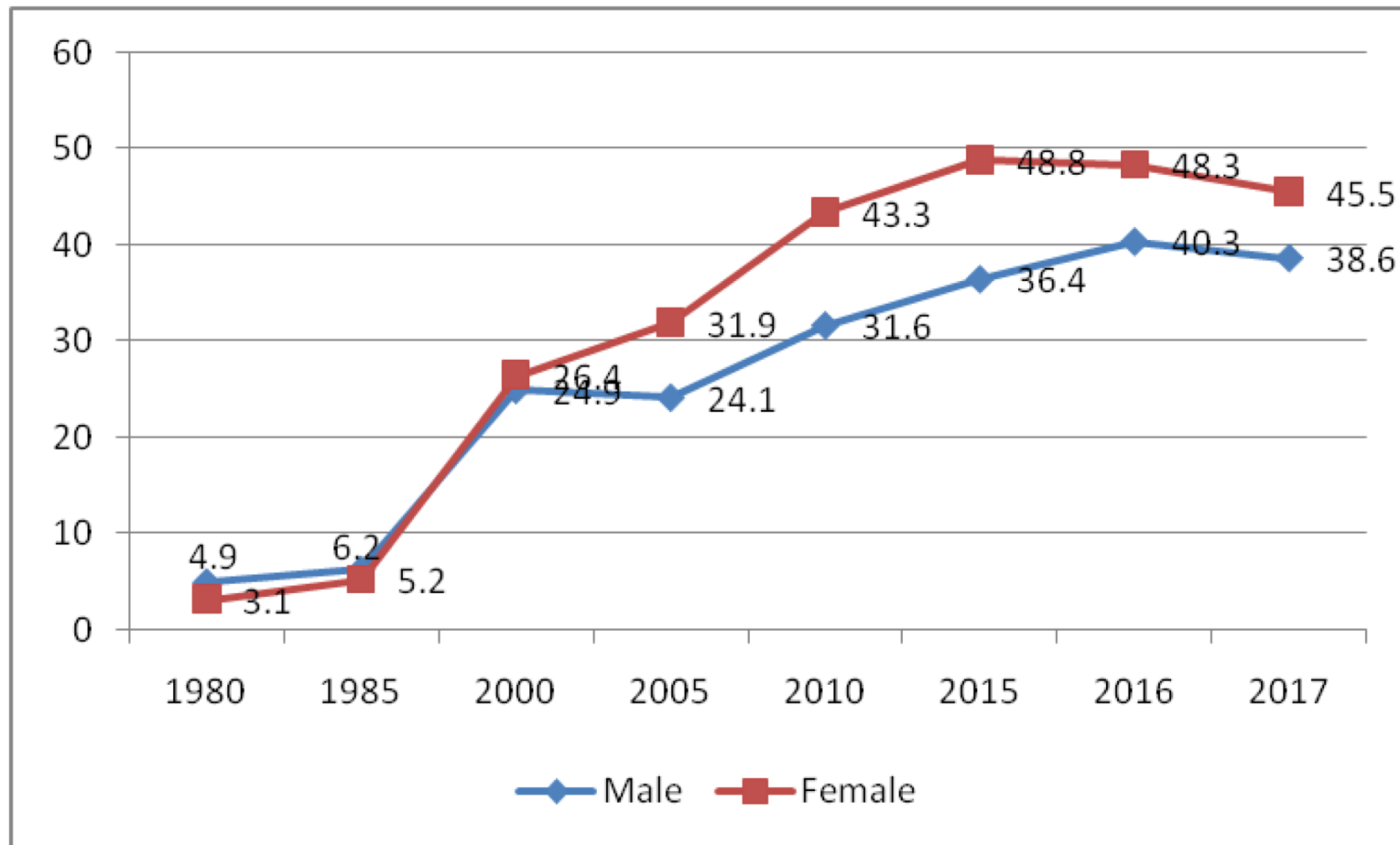


**Rising educational level**

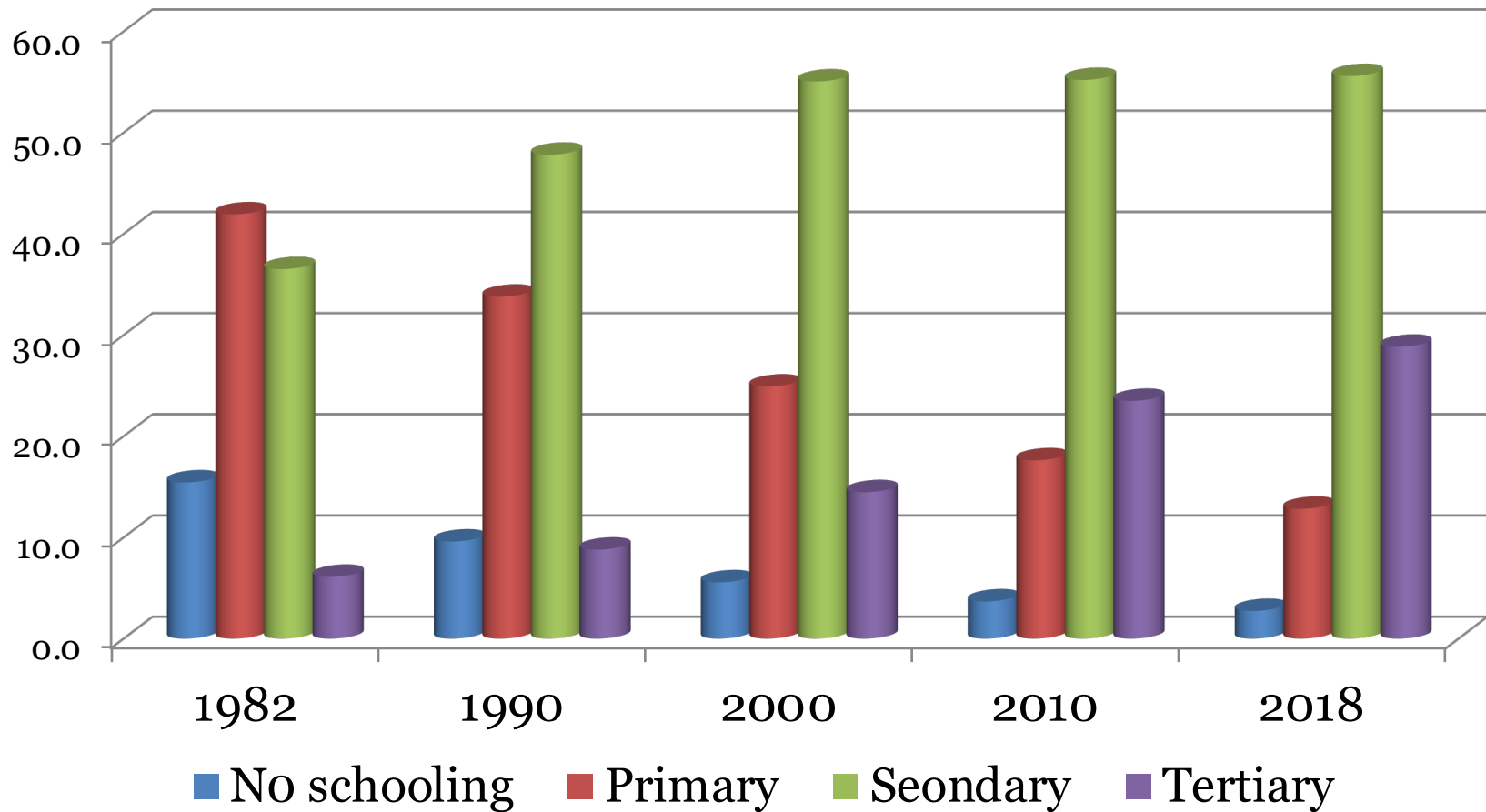
# Secondary school enrolment ratio



# Tertiary enrolment ratio



# Labour force by educational level

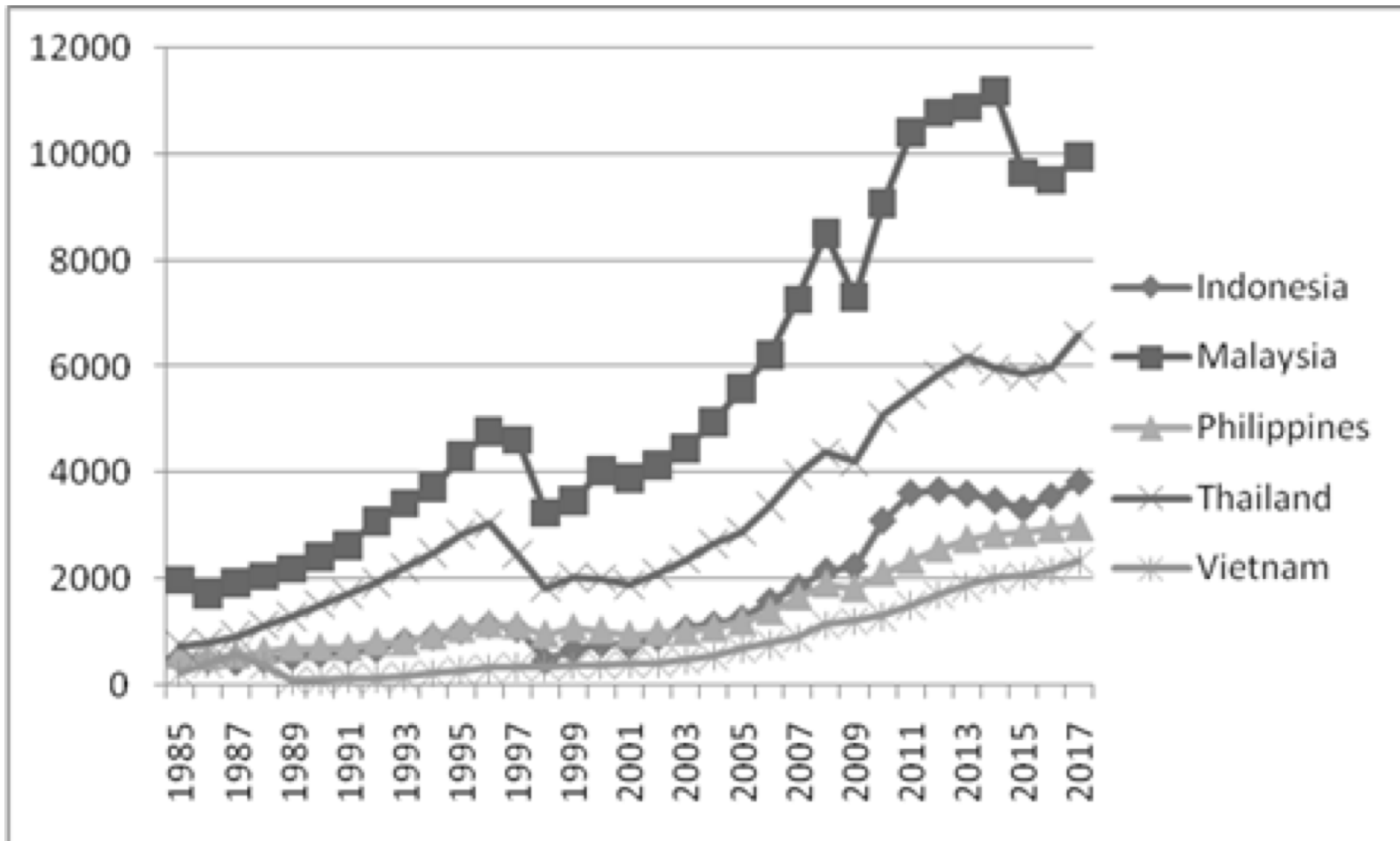


# Tertiary enrolment ratio, cf to other countries

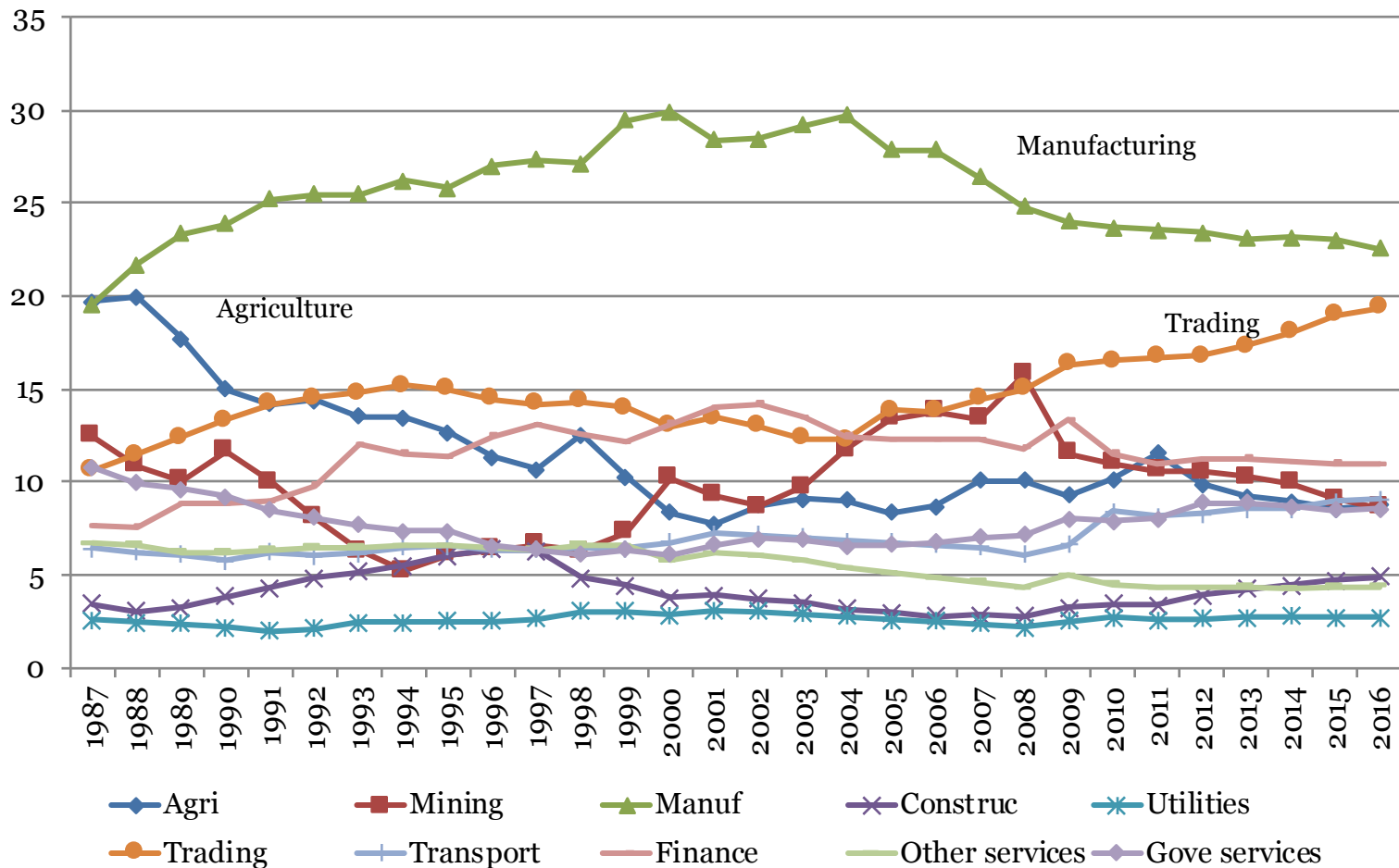
		2000	2010	2016
Malaysia	Total	25.6	37.3	44.1
	Female	26.4	43.3	48.3
	Male	24.9	31.6	40.3
Upper middle income countries	Total	16.6	32.6	50.7
	Female	16.7	35.1	55.2
	Male	16.5	30.3	46.5
High income countries	Total	55.8	73.3	77.1
	Female	59.7	81.9	85.9
	Male	52.1	65.2	68.9

# Economics, Labour Force and Women Empowerment

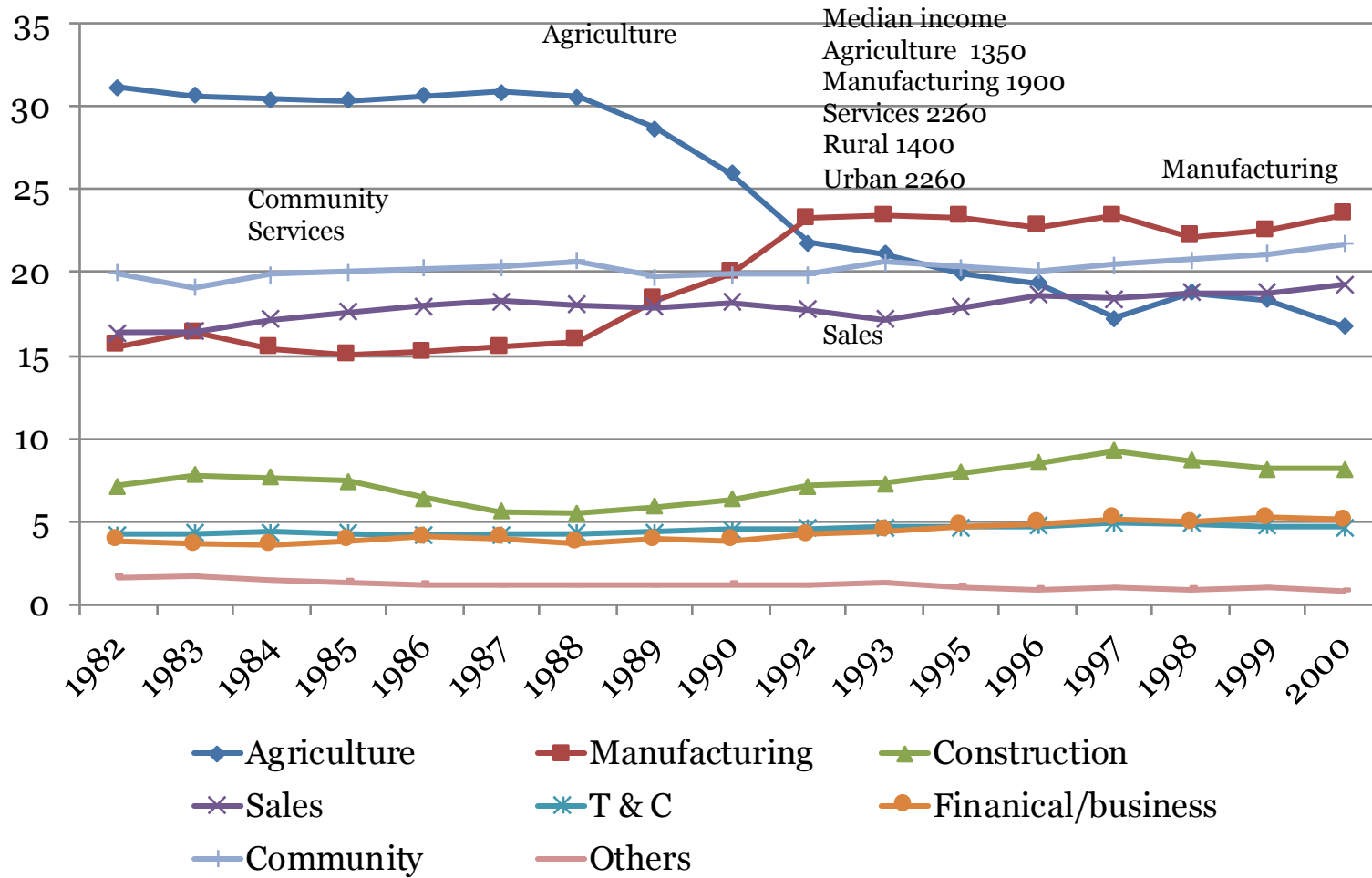
# GDP per capita (USD), selected ASEAN countries



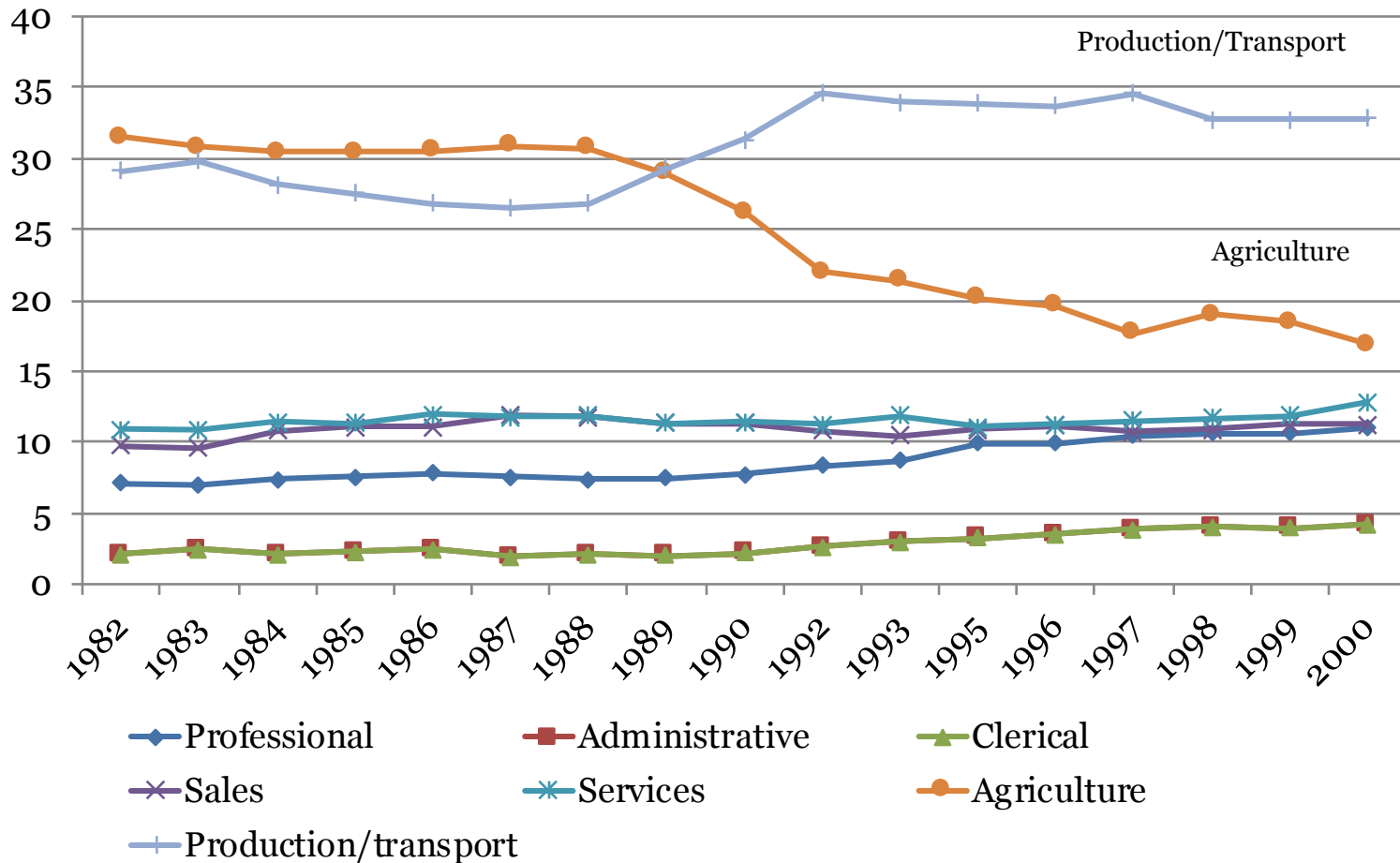
# % contribution to GDP by kind of economic activities



# % of employed persons by industry



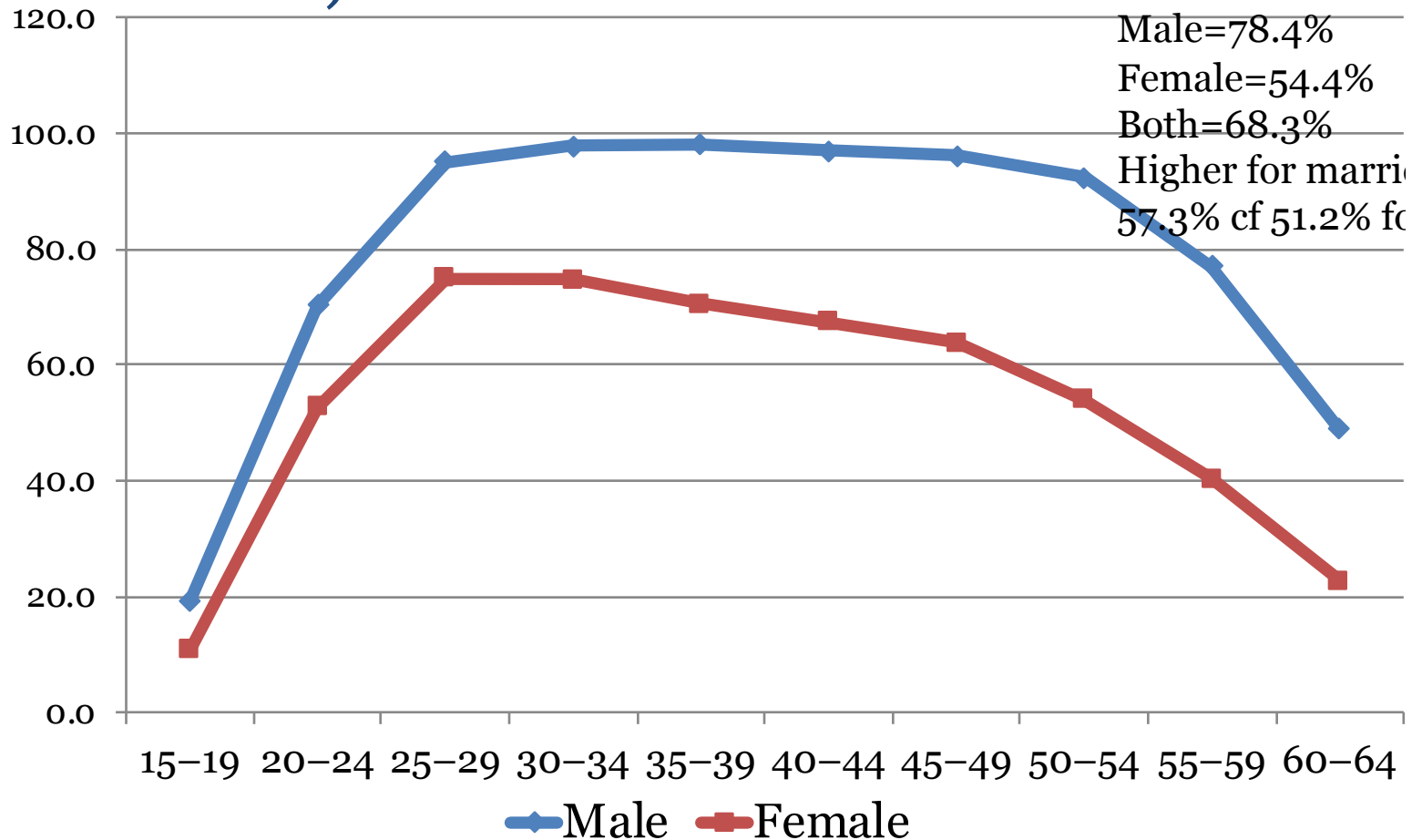
# % of employed persons by occupation



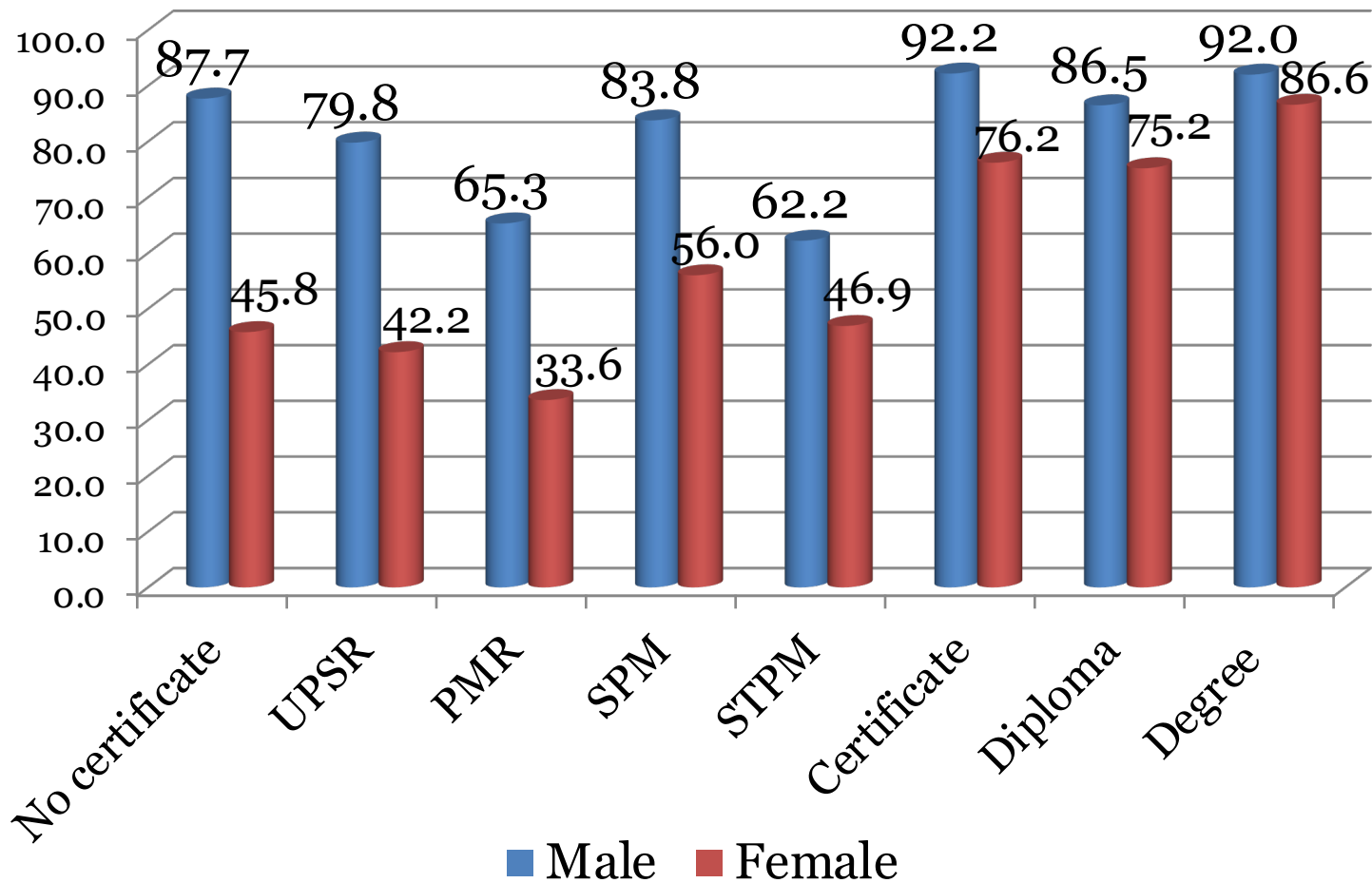
# LFPR and unemployment rate

	1990	2000	2010	2018
<b>Male</b>				
LFPR	85.3	83.0	79.3	80.4
Unemployment rate	4.0	3.0	3.1	3.1
<b>Female</b>				
LFPR	47.8	47.2	46.8	55.2
Unemployment rate	5.4	3.1	3.6	3.6

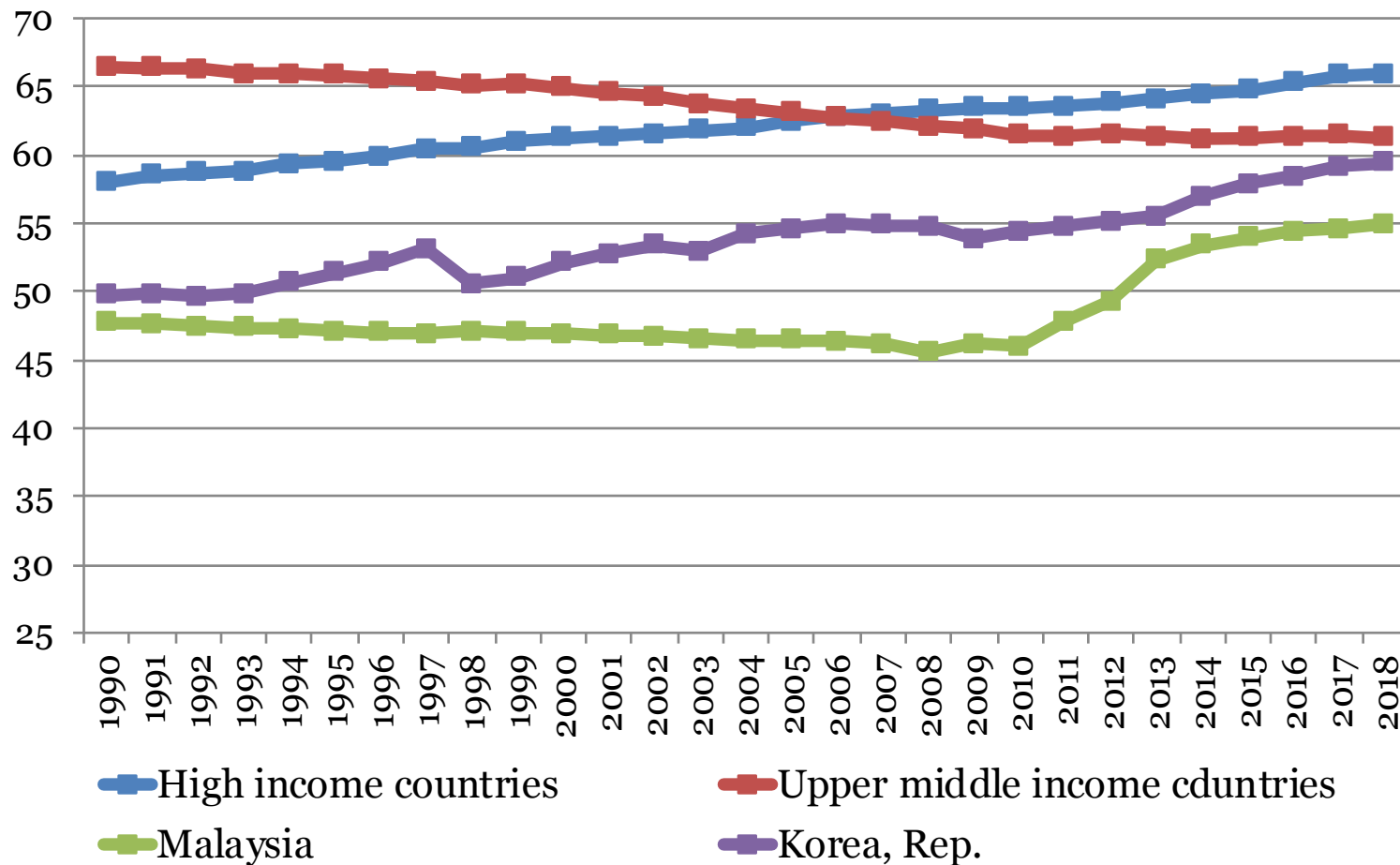
# Labour force participation rate by age and sex, 2018



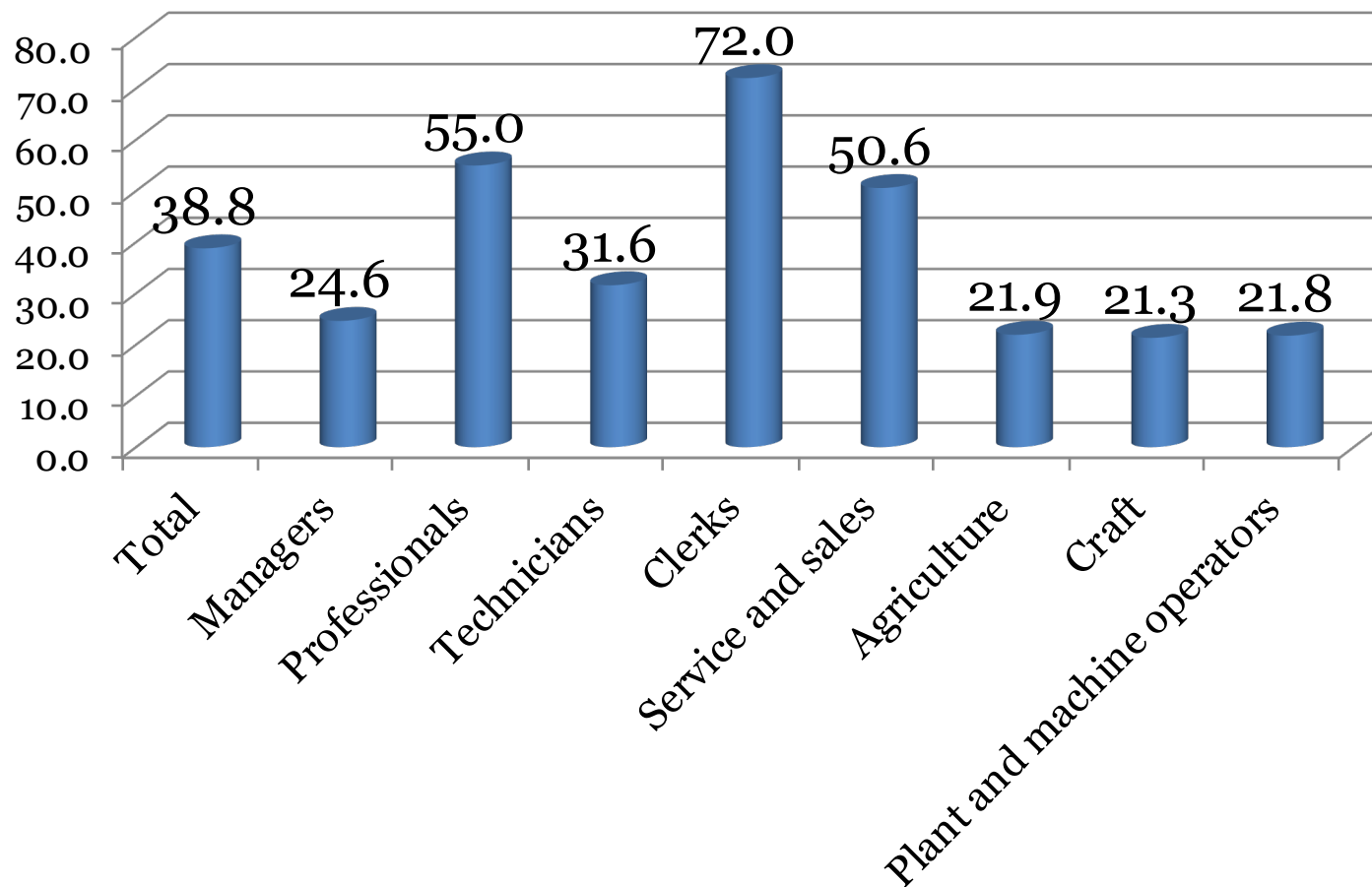
# Labour force participation rate by gender and highest certificate, 2018



# Female labour force participation rate



# Proportionate share of women in each occupation, 2018



# Governance

# Pragmatic planning/management

- Five-year development plans
- Efficient civil service
- Industrialization, privatisation & diversification
- Investment in education and health and efforts to improve the status of women
- Emphasis on science and technology, as well as technical and vocational education and training to prepare its workers for IR4

# Combating corruption

- The new government's commitment to fight corruption has received international recognition, when the Malaysian Anti Corruption Agency was awarded "The Most Emerging Enforcer for 2018" in the fight against corruption by the Washington-based Global Investigation Review (GIR).
- Malaysia is now the same level as other countries such as Singapore and Hong Kong in the fight against corruption.

# Remaining challenges - I

- Population – low fertility, ageing, brain drain and reliance on foreign workers
- Health – rise in NCD, malnutrition, high unmet need for contraception, adolescent sexuality, stress and psycho-social problems, inequitable access to health care
- Education – Gender imbalance in education, mismatch - graduate unemployment, poor performance in TIMMS and PISA, declining interest in STEM subjects, and low take-up rate of TVET (negative perception)

# Remaining challenges - II

- Economic – national debt, pre-mature de-industrialization, lack of technological innovation, middle income-trap, youth unemployment, and regional disparity in income and development
- Women empowerment – barriers to female labour force participation, gender stereotyping, labour market discrimination, non-achievement of 30% quota in decision-making positions

# Conclusion

- Malaysia has done well in harnessing the demographic dividend through pragmatic planning and management, and investment in health and education. It is ranked among the very high Human Development index country (from 63 to 57).
- Achieved almost all the goals of ICPD (1994-2014) and MDGs (2000-2015)

# Recommendations (I)

- Improve education/training to meet the market demand
- Raise the health status
- Full utilization of the human resources of women and the older people, by promoting family-friendly flexi-work arrangement, childcare support and opportunities for re-training

## Recommendations (II)

- Brain gain
- Innovation and embrace technology and enhance competitiveness
- Smart partnership between the public and private sector
- Foster inclusive and sustainable development planning
- Improve governance and efficiency to gain confidence from investors
- Monitoring achievement of SDGs

**THANK YOU!**