REFSA

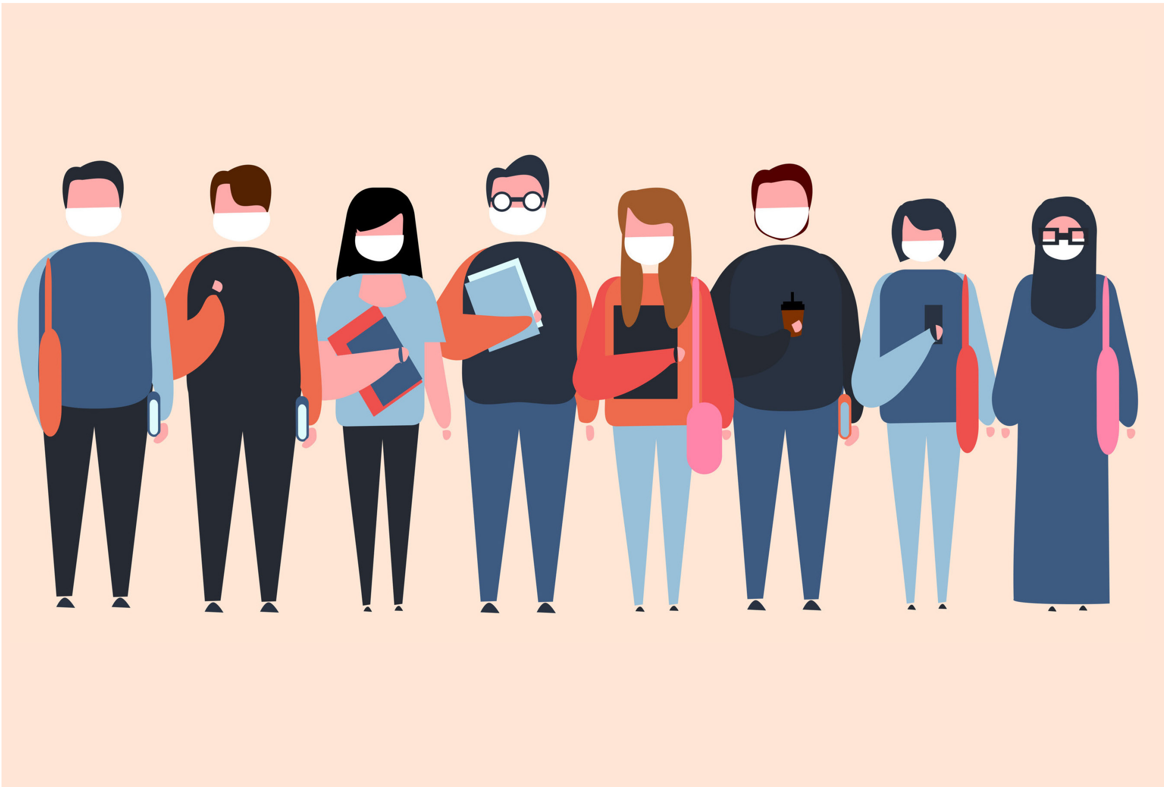
Research For Social Advancement

REFSA BRIEF

Issue 12 December 2020

The Impact of COVID-19 on the Youth in Malaysia

A Survey Report



Overview

Youth have been one of the hardest hit groups by the COVID-19 crisis. Whether as recent graduates, jobseekers or young professionals, young people are often the most vulnerable towards economic turbulence. In Malaysia, the youth unemployment rate is already three times higher than the adult rate.

Studies have shown that these “crisis cohorts” suffer the long-term impact of their “unlucky draw” – it can take up to 10 years to catch up on their salary scale even after the recession is over, which can lead to other “knock on effects” such as depression, delay in setting up a family, and poorer health. As such, it is imperative that the government considers targeted policies to help young people through this difficult time.

In order to better formulate our policy recommendations, we sought to deepen our understanding of the challenges faced by young people in Malaysia during the COVID-19 crisis.

Methodology

On 25 May 2020, we launched a survey to assess the impact of COVID-19 and the ensuing lockdowns on Malaysian youth. We launched the survey on 25 May and kept it open for participation for a month. The data was collected via online survey (Google Forms) in three languages i.e. English, Bahasa Malaysia and Chinese. It was shared widely online, via social media, as well as WhatsApp messages.

We collected 1000 responses, 998 of which were valid and analysed.

Profile of Respondents

The respondents are aged between 18-35 years old. 356 of our respondents are aged 18-20, 175 are aged 21-23, 151 are aged 25-27, 117 aged 28-29, 87 aged 30-32 and 86 are aged 33-35. Below details the age distribution of our respondents.

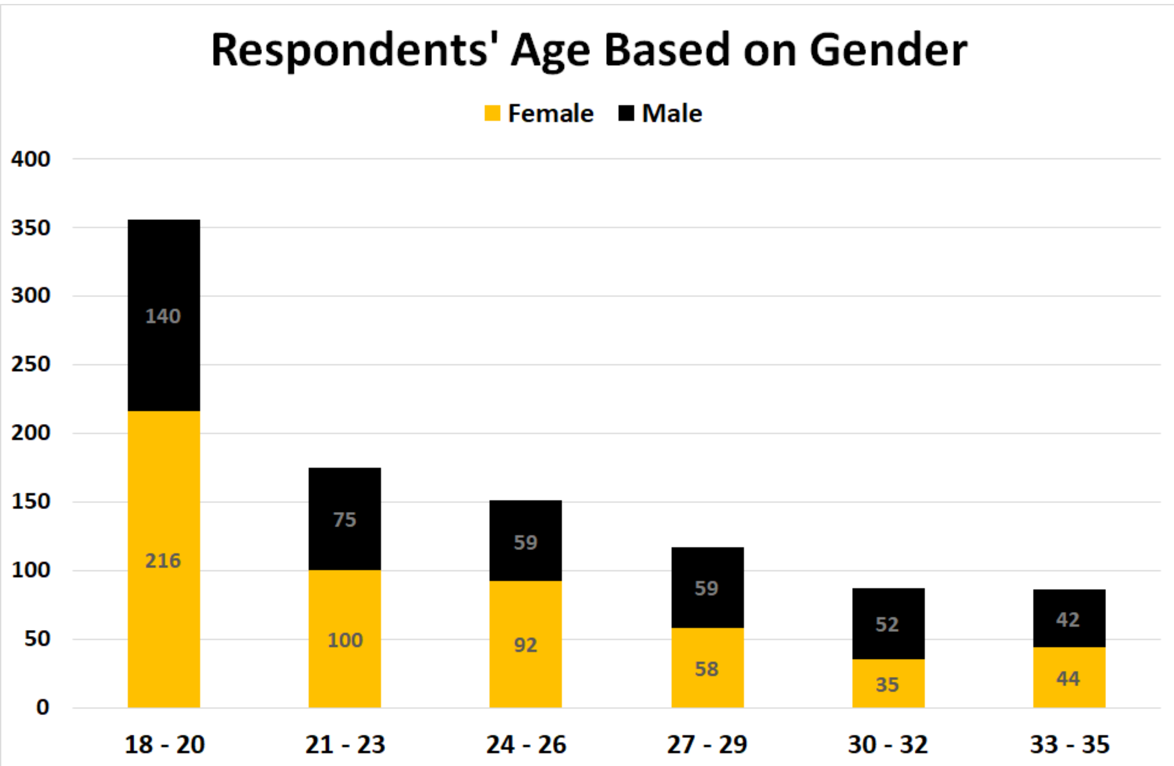


Figure 1: Age and Gender

Of the 998 respondents, 482 are students, 326 are employed, 66 responded that they are unemployed, 52 had just graduated, 47 responded that they are self-employed, while 25 indicated they are working part-time.

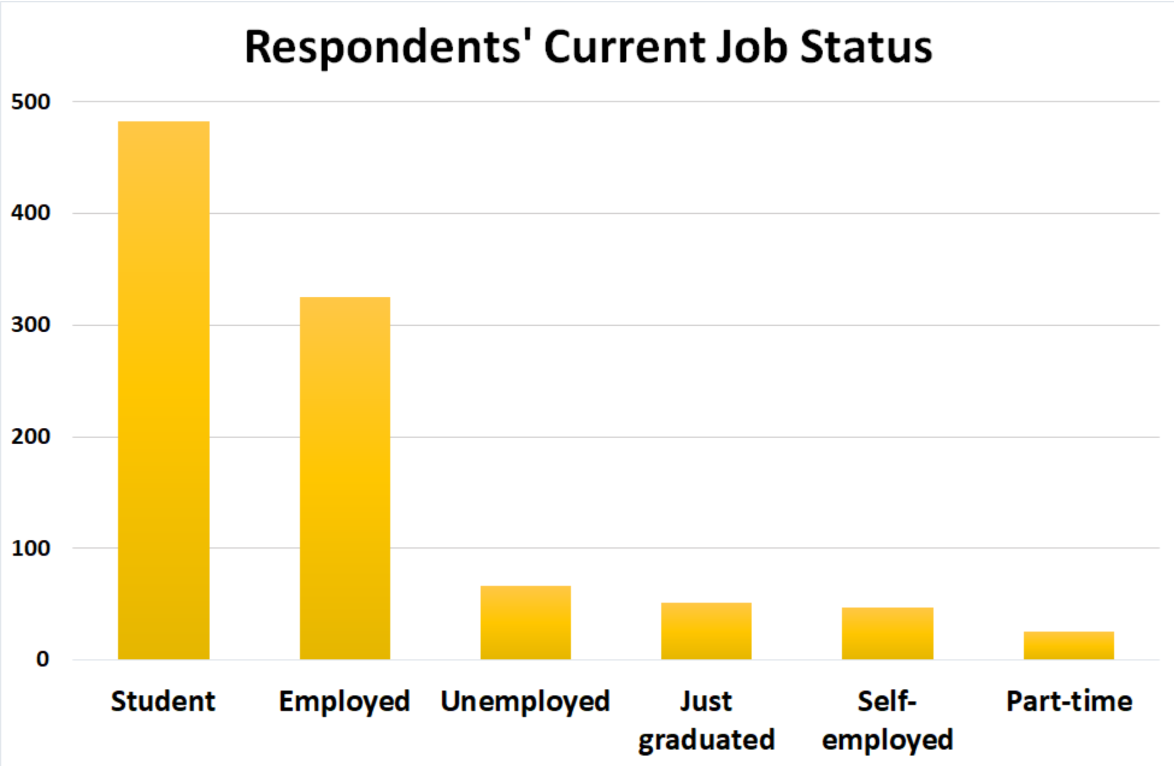


Figure 2: Job Status

327 of our respondents possess an undergraduate degree, 242 have attained SPM or equivalent qualifications, while 173 have a diploma or vocational education qualification.

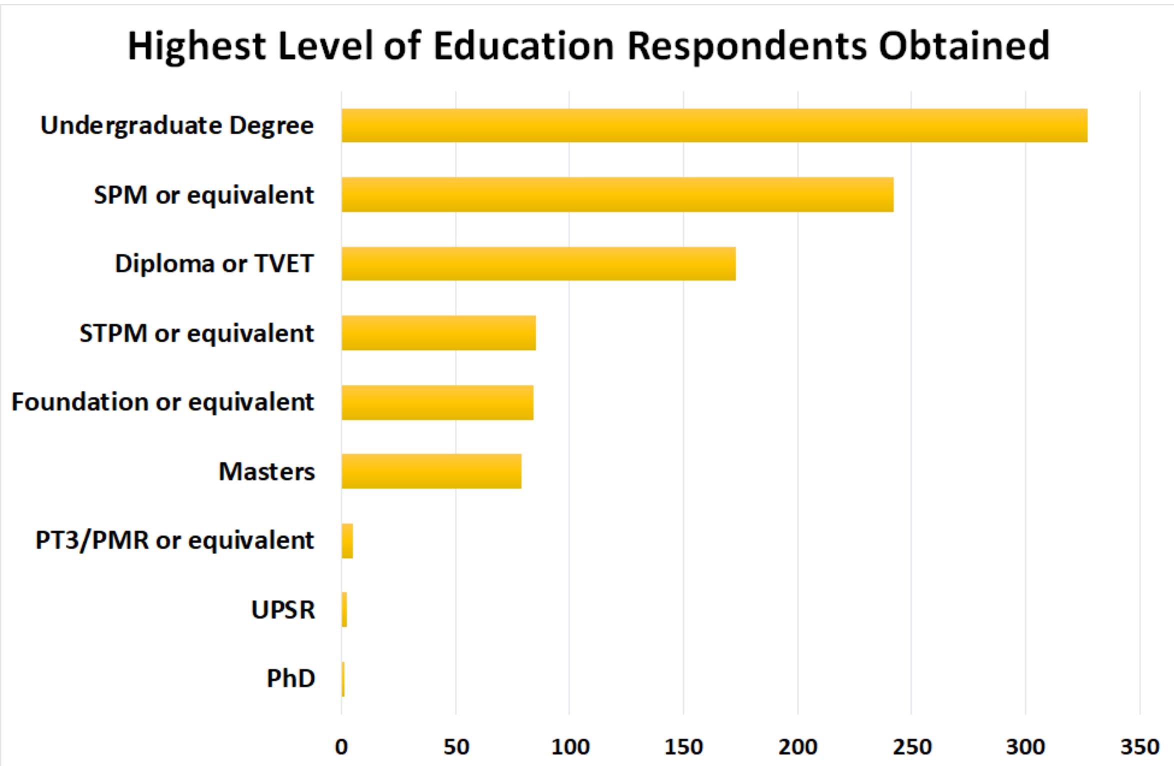


Figure 3: Highest level of education obtained

Our respondents come from diverse academic backgrounds. 104 of them studied Law or Law Enforcement related areas, 102 studied Social Sciences and Public Policy, 98 of them studied Energy, Engineering and Manufacturing related courses, 88 of them studied Accountancy, Banking and Finance, while 59 were in Education.

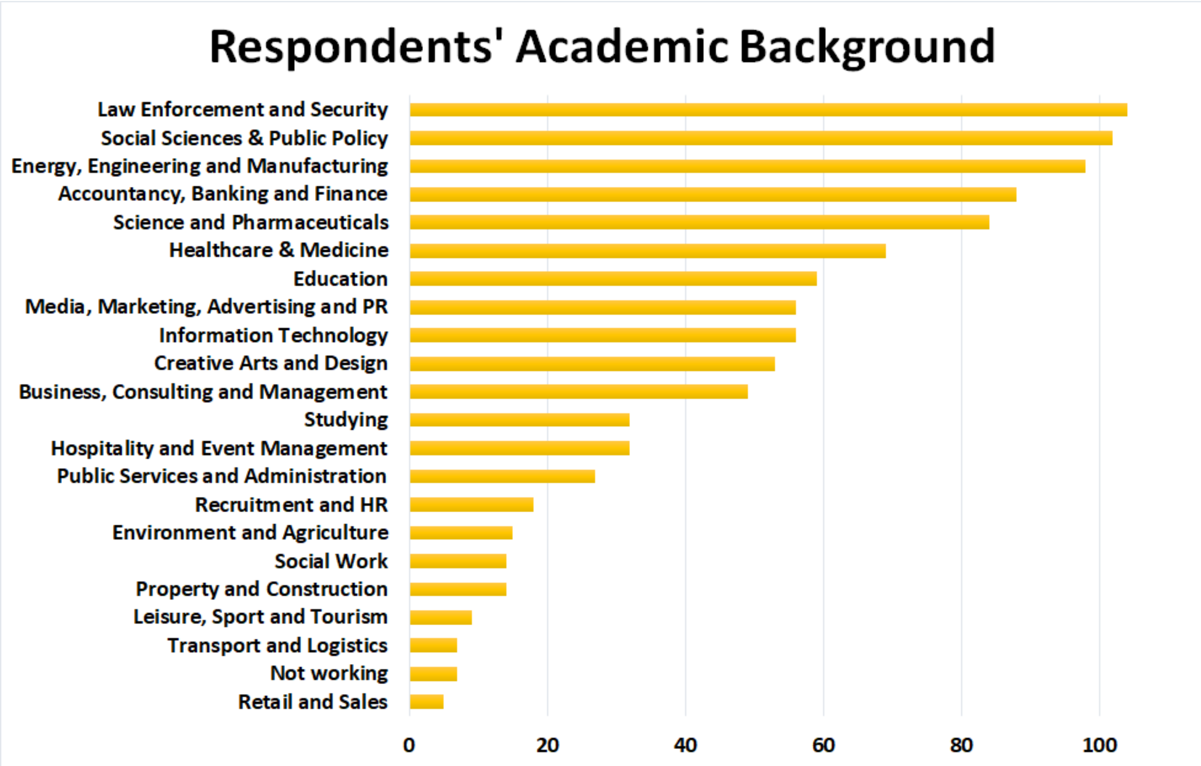


Figure 4: Academic Background

The industries they are in mirror their academic background. 115 of them are in Law and Law Enforcement areas, 81 in Social Science and Public Policy, 83 in the Energy, Engineering and Manufacturing industry, 77 in Education while 75 of them are in the field of Accountancy, Banking and Finance.

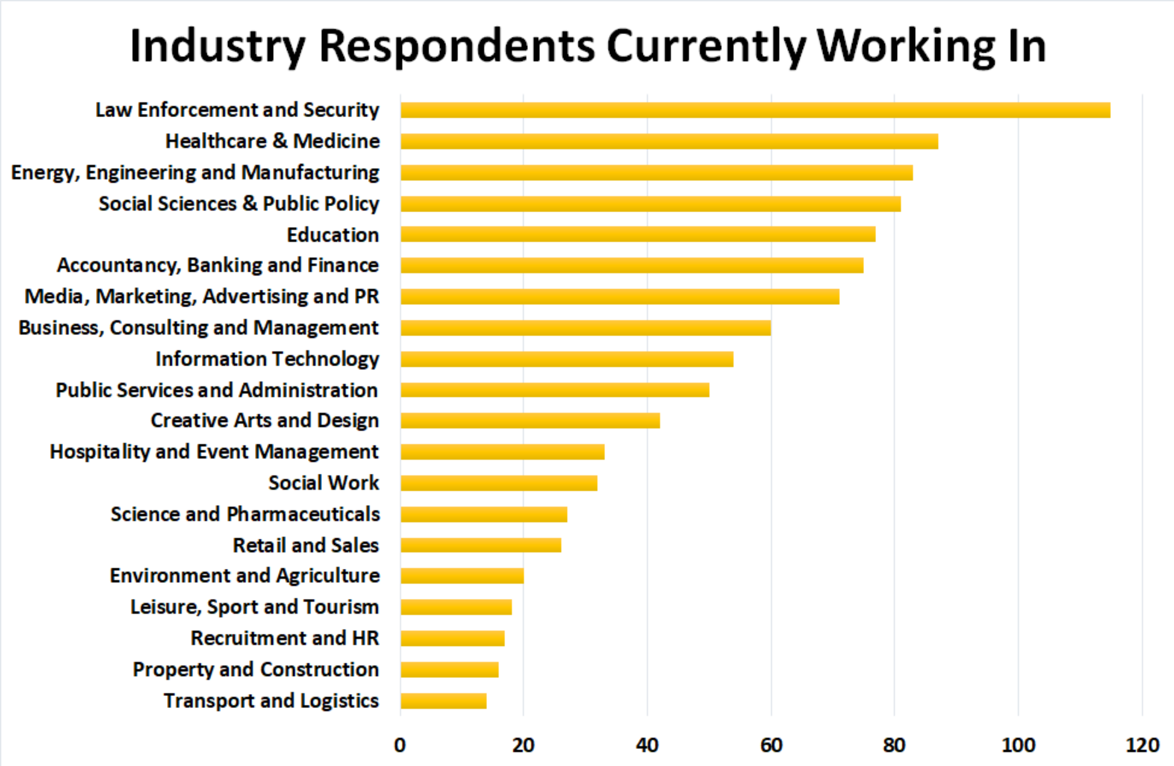


Figure 5: Industry currently working in

Of the working young adults, 238 work in the private sector, 80 in the public sector, while 46 have their own businesses.

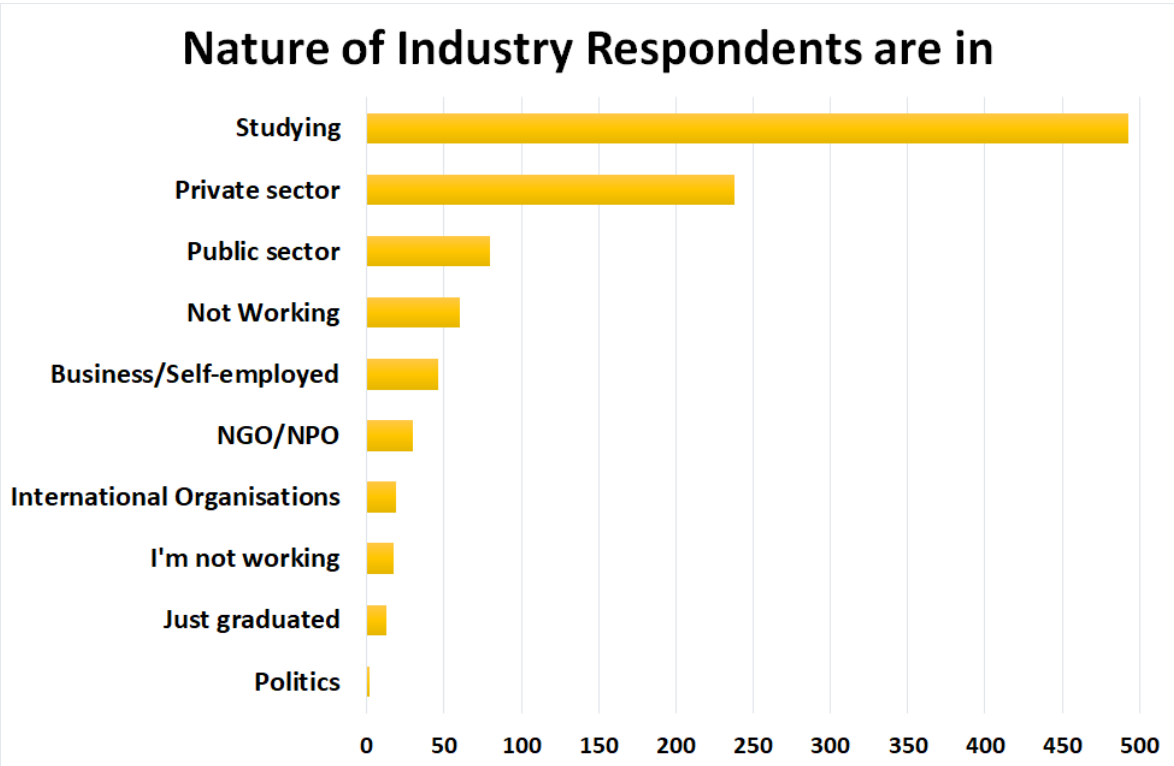


Figure 6: Nature of Industry

536 out of 998 of our respondents reside in Selangor and Kuala Lumpur. This is followed by 72 in Sabah, 66 in Johor and 36 in Sarawak. The states where our respondents work closely reflects where they live, with Selangor seeing greatest changes, signifying that many people who live there work elsewhere (-77), likely in Kuala Lumpur, conversely, Kuala Lumpur sees more people working there than living there (79).

States	Living	Working/Studying	Delta
WP Kuala Lumpur	168	247	79
WP Putrajaya	9	24	15
Overseas	21	35	14
Johor	66	72	6
Pahang	22	24	2
Terengganu	6	8	2
Perlis	6	7	1
Kedah	10	10	0
WP Labuan	1	1	0
Sarawak	36	34	-2
Kelantan	8	5	-3
Malacca	12	9	-3
Sabah	72	66	-6
Negeri Sembilan	20	13	-7
Penang	40	30	-10
Perak	38	27	-11
Selangor	368	291	-77

Table 1: Respondent's Living and Studying Location

Our respondents live across 10 states, with a large proportion of them (368) living in the Selangor region, followed by Sabah (72) and Johor (66).

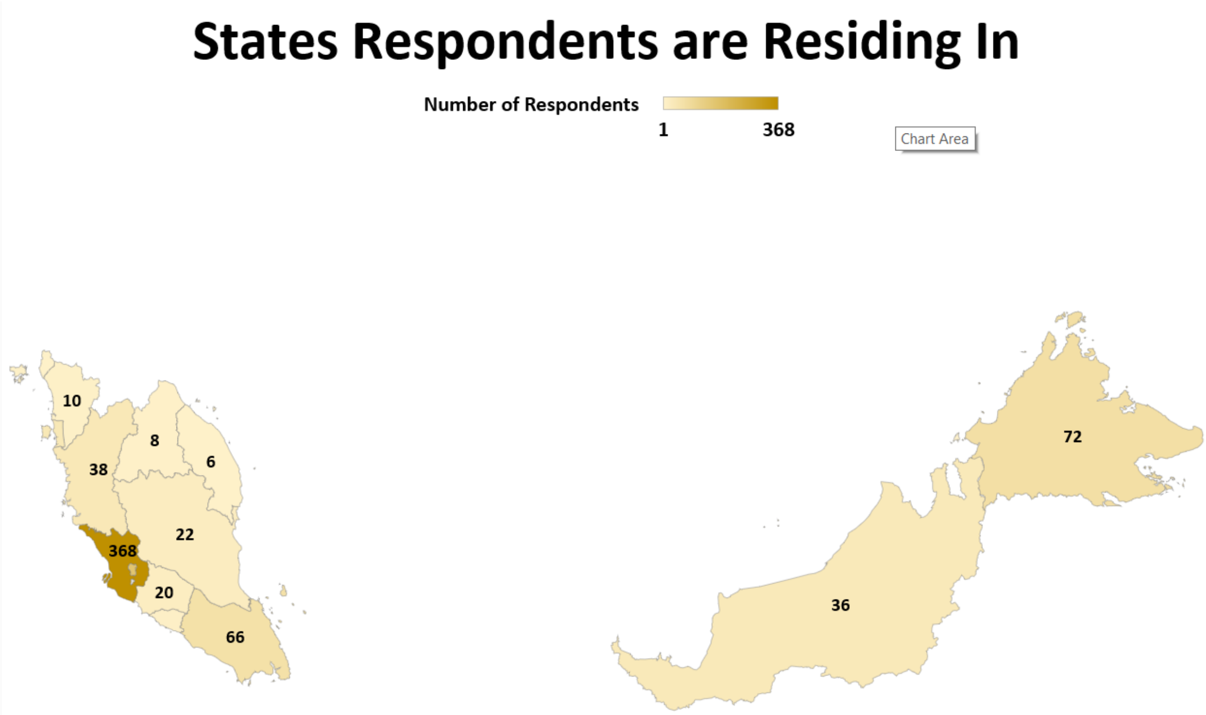


Figure 7: States Respondents Residing In

649 of respondents identified as staying in urban areas, while 198 said they live in semi-rural areas and 56 in rural areas.

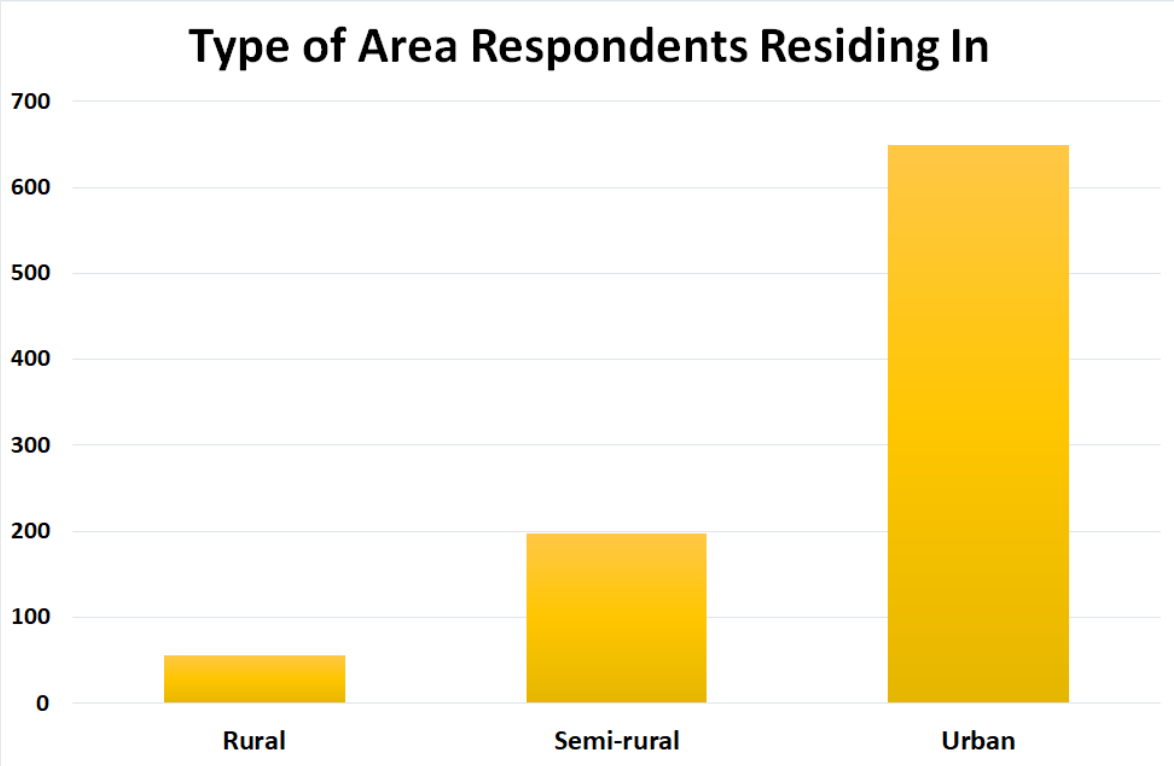


Figure 8: Type of Area Respondents Residing In

The gender of our respondents are equally distributed, with 545 female, 427 male and 26 who preferred not to indicate.

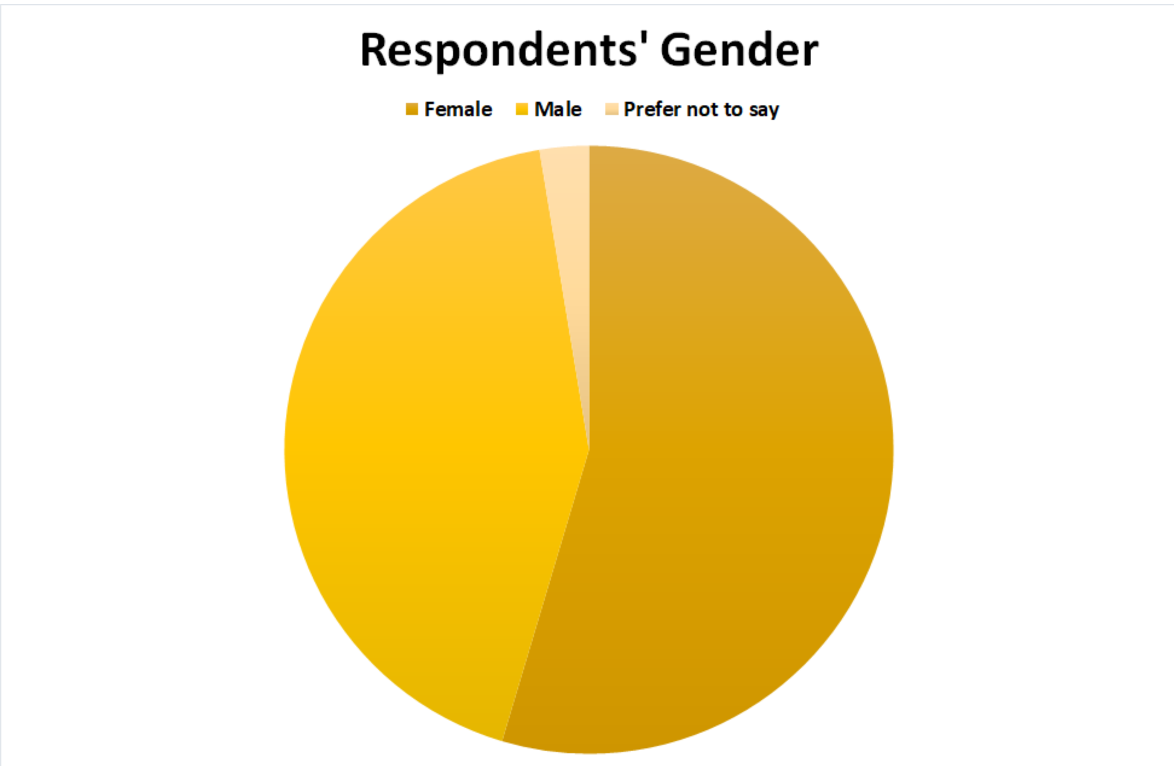


Figure 9: Respondents' Gender

Findings

Employee

We found that many of the respondents have experienced a decrease in their monthly income since the COVID-19 outbreak. 23.79% have said that they experienced mild (1-50%) decrease in their income, while 18.94% said they experienced large to extremely large (51-100%) decrease. 53.58% said they have not experienced any changes in their income, while 3.69% have experienced increases in their monthly income since the outbreak.

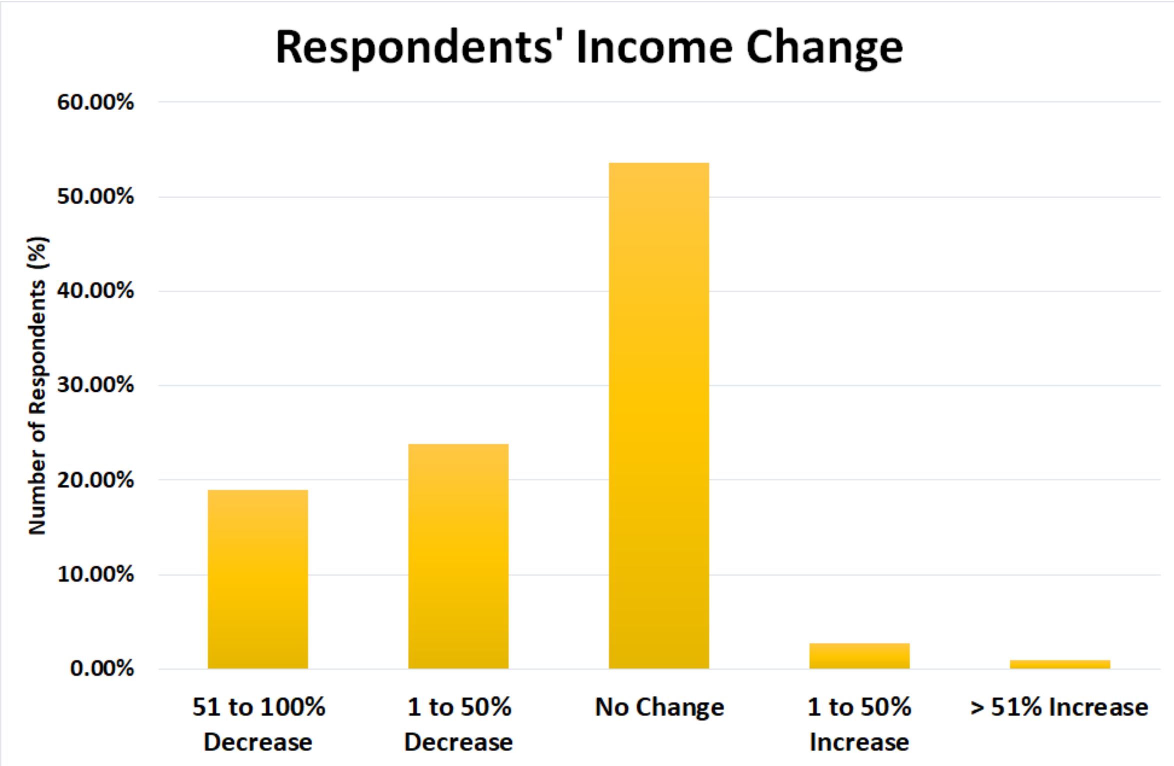


Figure 10: Respondents' Income Change

The decrease has become more apparent when stratified according to rural, semi-rural and urban populations. In rural areas, about half of the respondents experienced a decrease in their income, while in semi-rural areas, 45.57% reported decreases. Urban areas fared slightly better, at 36.14%.

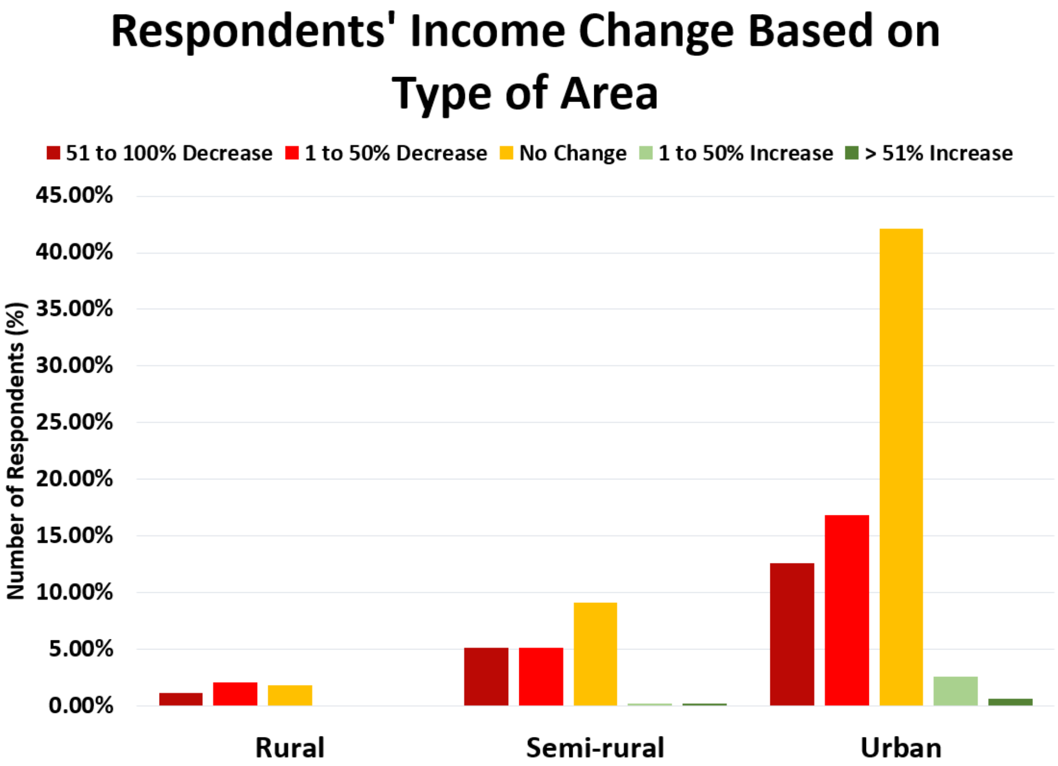


Figure 11: Respondents' Income Change Based on Type of Area

Female respondents seem to be less susceptible to the impact of the COVID-19 outbreak on income loss. Only 30.63% of female respondents reported income loss, while 65.32% said their income has not changed. In comparison, 46.6% of male respondents said their income has decreased.

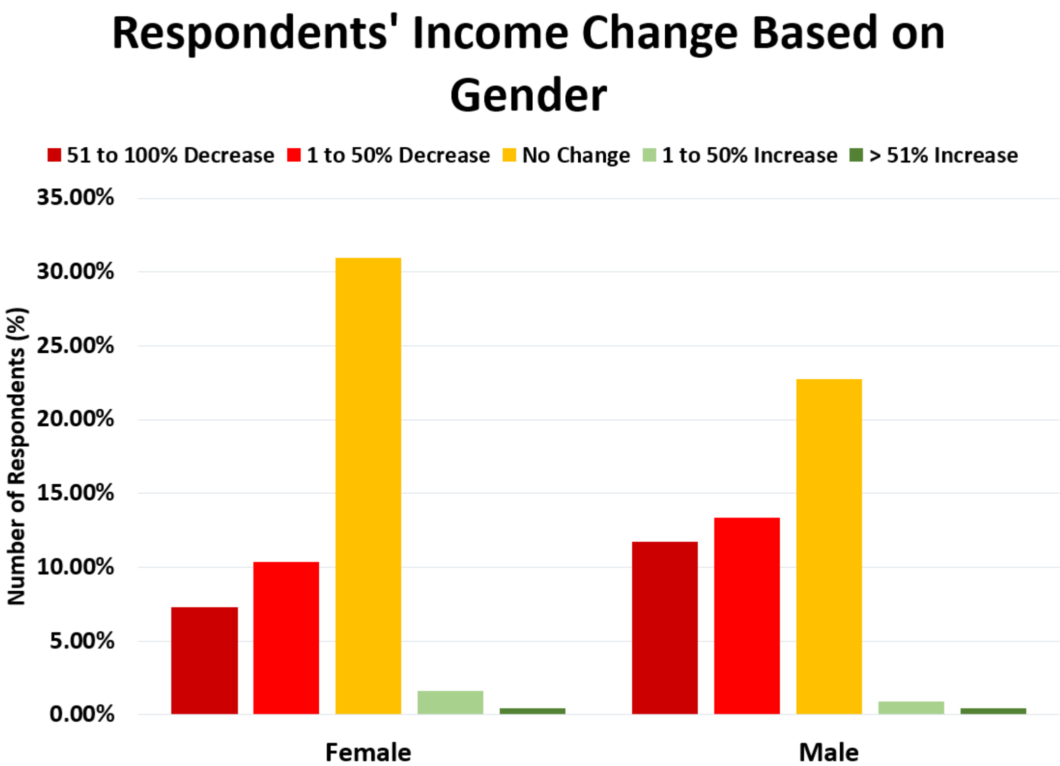


Figure 12: Respondents' Income Change Based on Gender

Respondents living in the Borneo and Southern Region also seem to be more susceptible to the effects of COVID-19. Approximately 39% and 32% of them had 51%-100% change in income respectively. This is followed by those living in the East Coast, Northern and Central Region. Interestingly, around 62% of respondents living in the Central Region reported no change to their income. Furthermore, about 20% of those living in the East Coast Region had 1-50% increase in income, whilst less than 10% of respondents of the Southern Region had an increase, and less than 5% of the respondents in the Central and Borneo Region reported an increase in income.

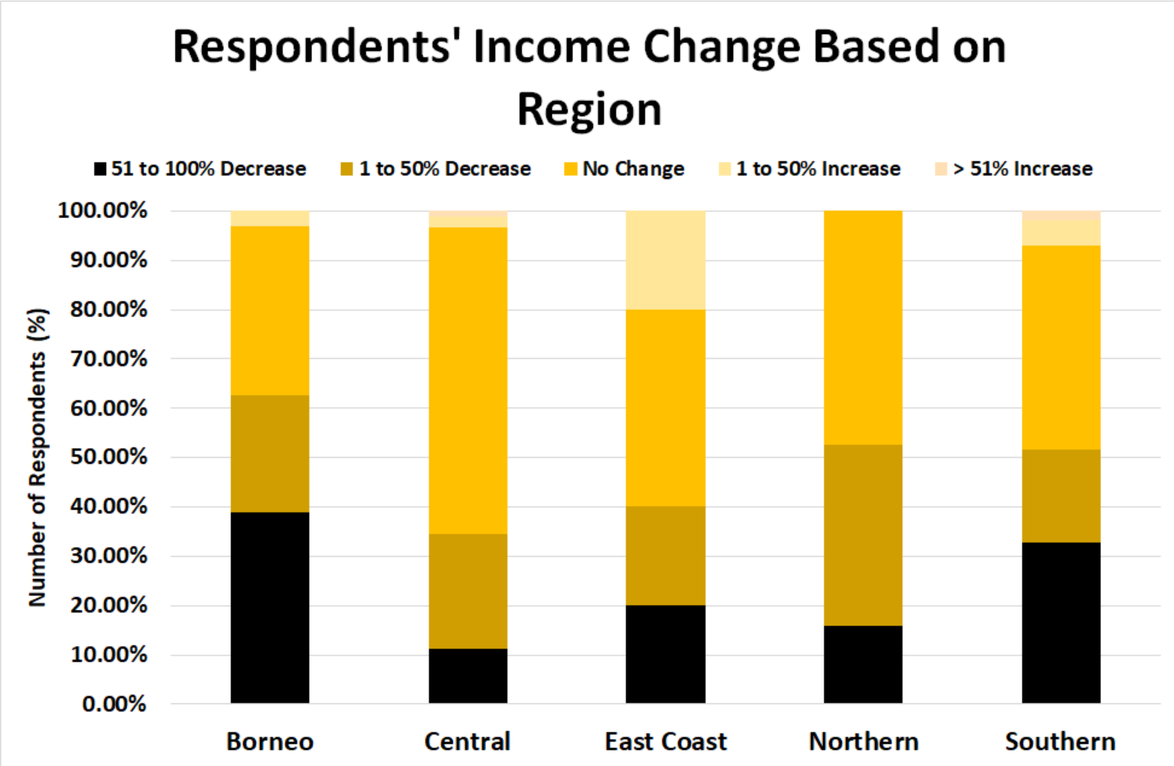


Figure 13: Respondents' Income Change Based on Region

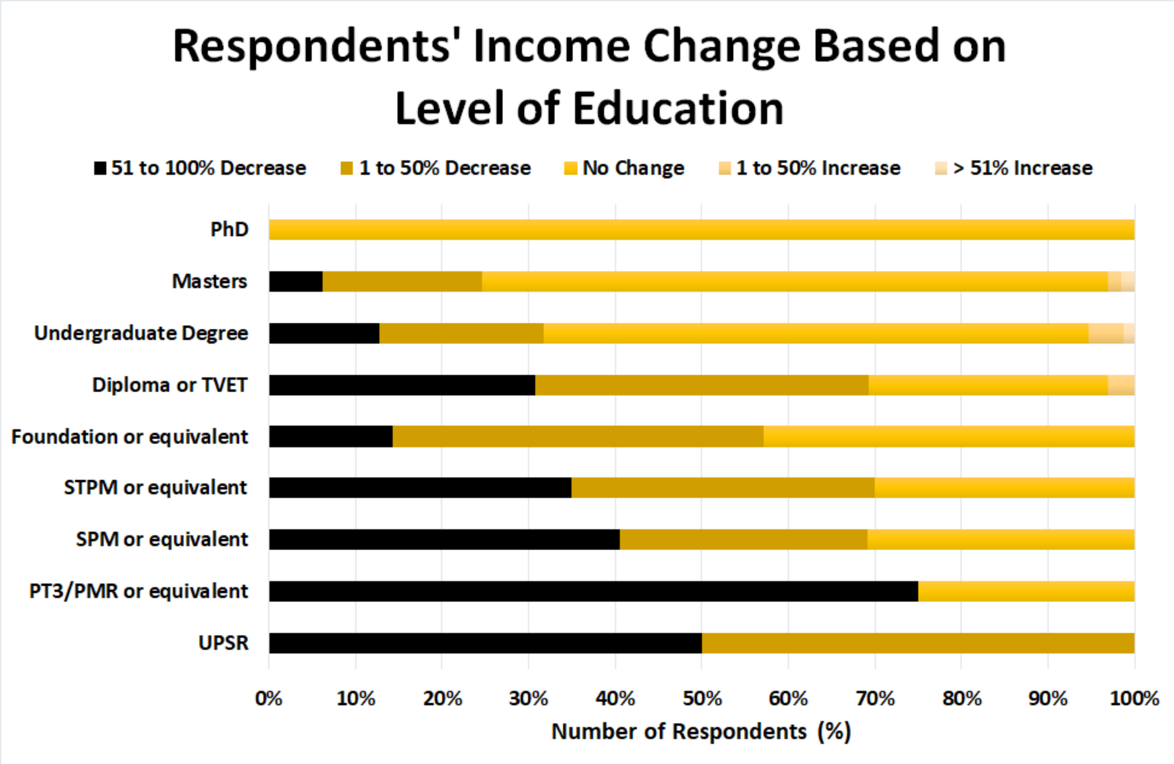


Figure 14: Respondents' Income Change Based on Level of Education

Student

Those who are currently students or recent graduates also see their prospect affected. Out of the 534 respondents who are currently studying or just graduated, 116 (about 22%) of them have received an internship or a job offer. A whooping 65.7% (74) of those who received an offer said that their offer has been postponed or retracted, while another 13.51% (15) said they lost their jobs due to other reasons unrelated to COVID-19. It is worth noting that about 25% and 14% of those whose offers were postponed and retracted live in the Central Region.

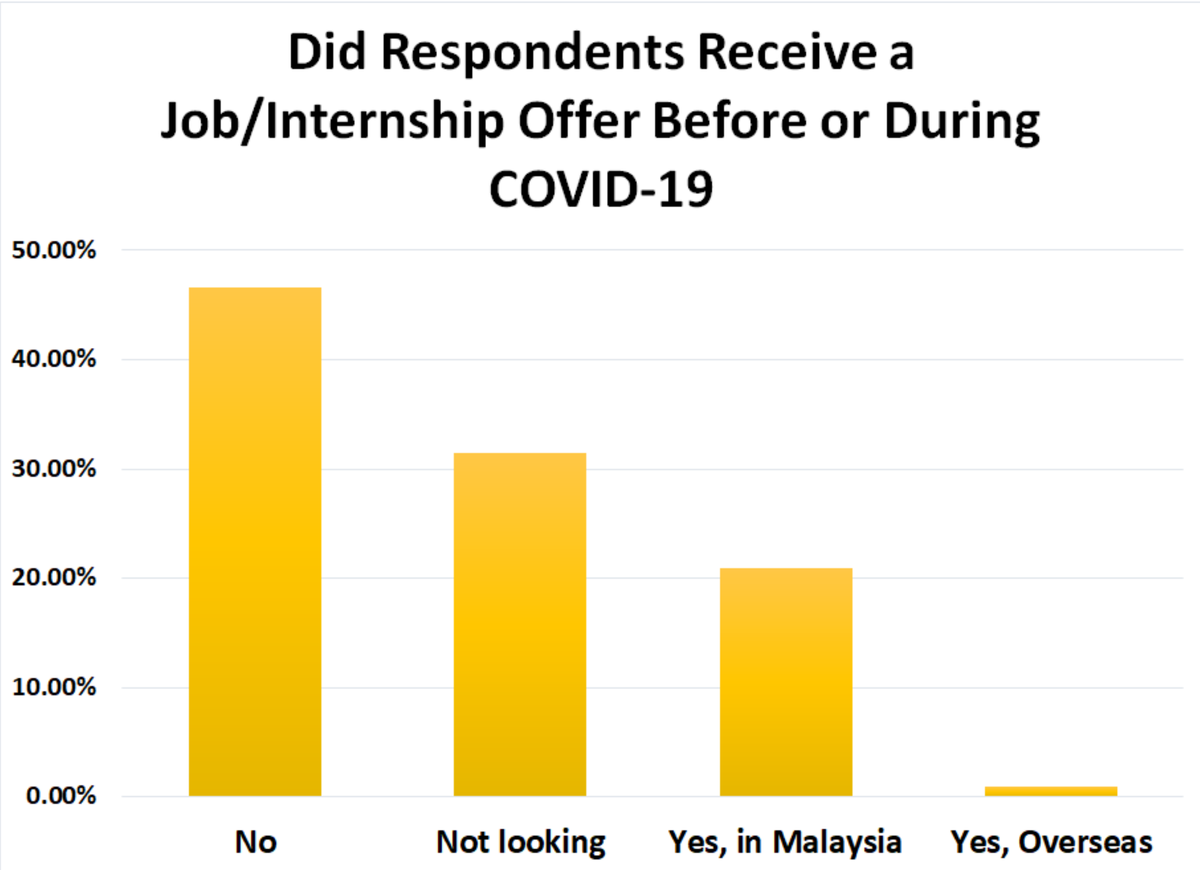


Figure 15: Did Respondents Receive a Job/Internship Offer Before or During COVID-19

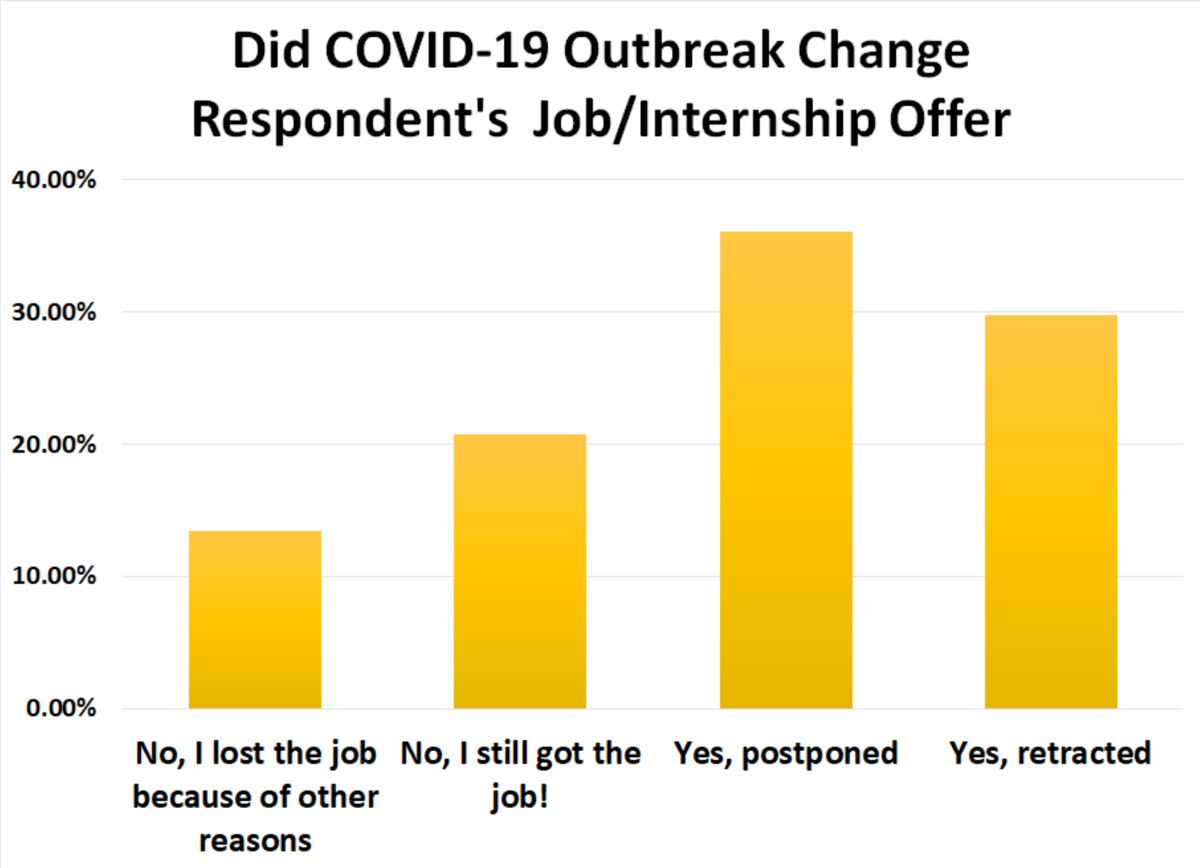


Figure 16: Did COVID-19 Outbreak Change Respondent's Job/Internship Offer?

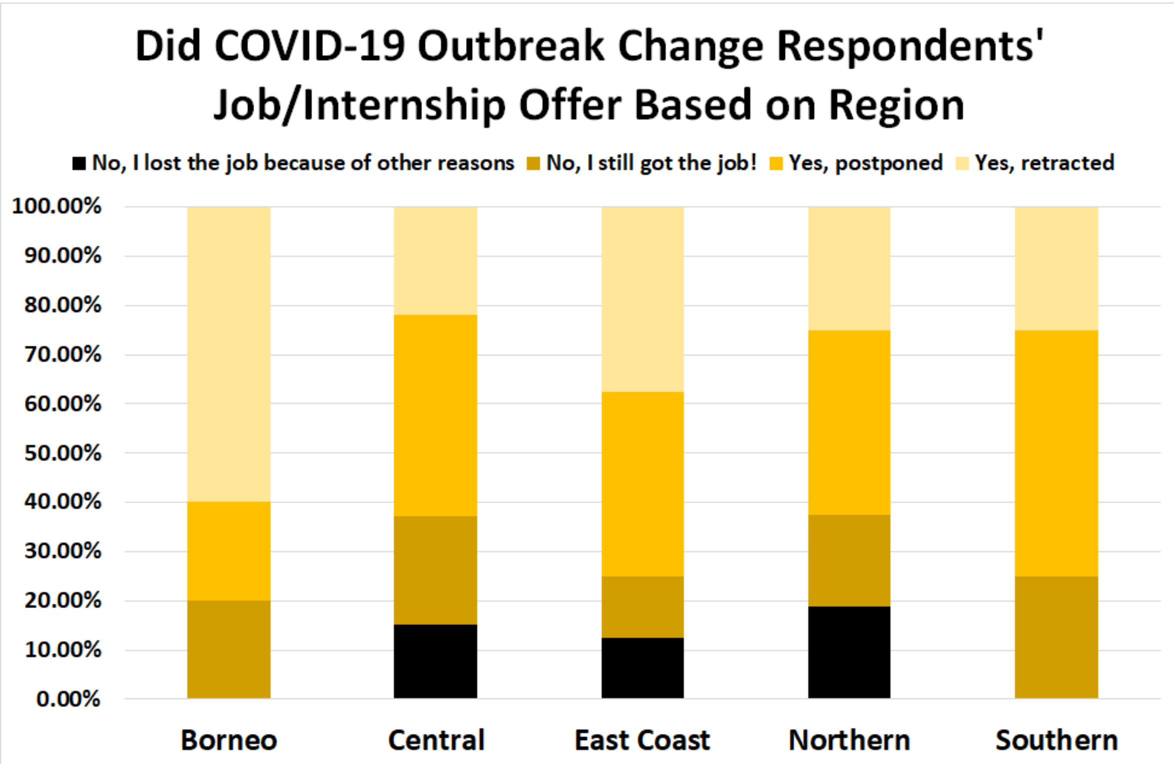


Figure 17: Did COVID-19 Outbreak Change Respondents' Job/Internship Offer Based on Region

When asked about the difficulties of getting a job, an overwhelming majority stated “lack of experience” as their roadblock. This is understandable, given that most employers prefer to hire employees with working experience.

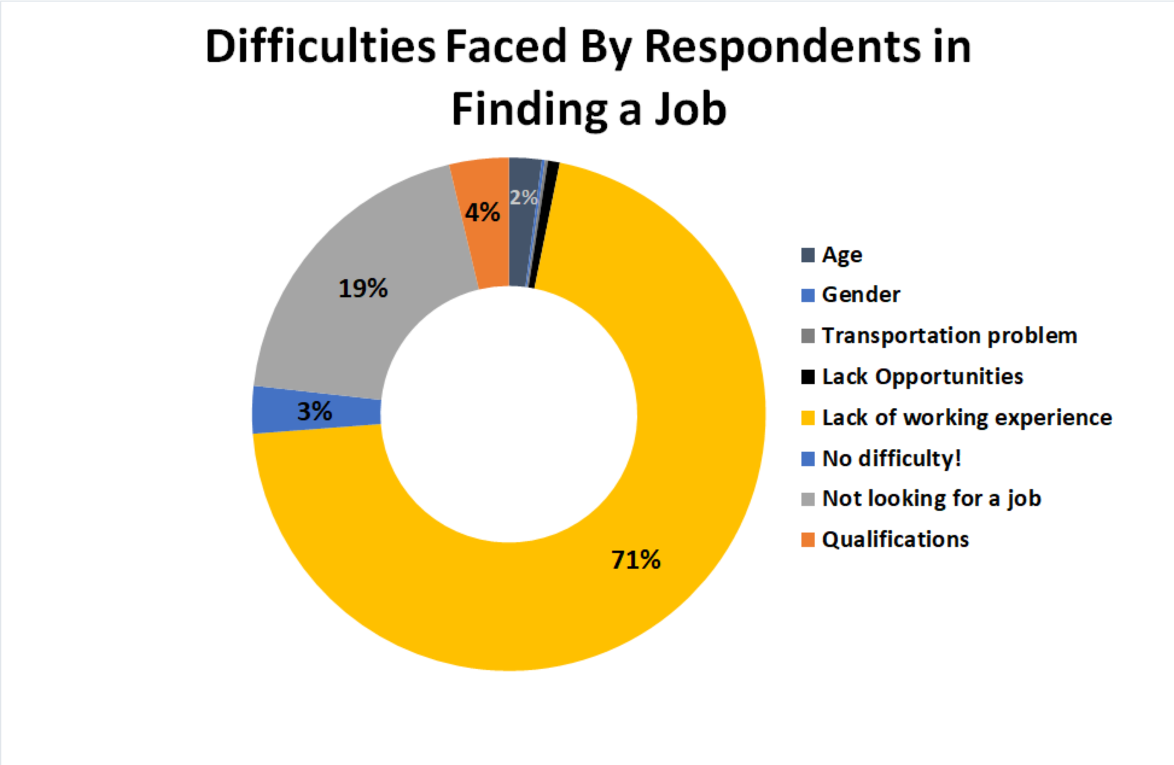


Figure 18: Difficulties Faced by Respondents in Finding a Job

Well-Being

We also asked questions to probe the well-being of our participants during the Movement Control Order (MCO).

We also asked the respondents to evaluate their well-being based on their ability to work from home, access to stable internet, access to sufficient food and access to healthcare. We found that overall, the well-being of our participants are satisfactory, with the majority able to access those items. About 46% of our respondents said that they are able to work from home, while 40.6% of them said that it is inapplicable as they are still studying or unemployed. It is however concerning that about 13.4% of them said they cannot work from home.

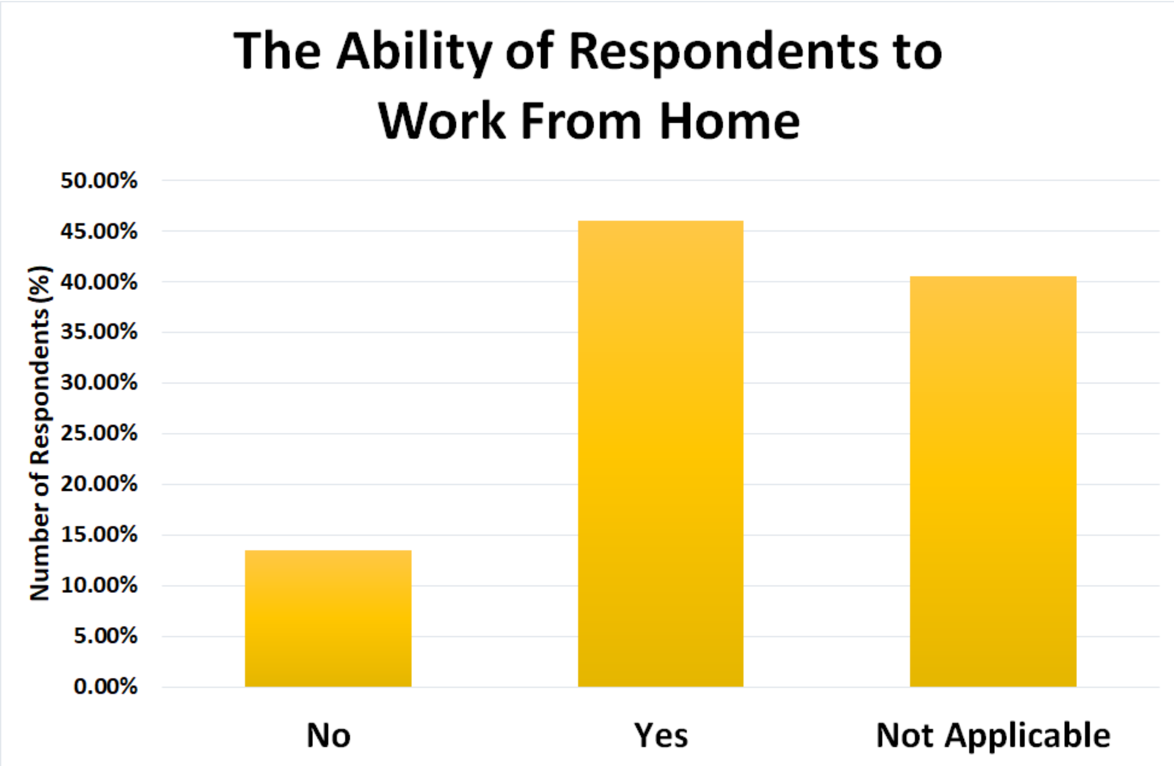


Figure 19: The Ability of Respondents to Work From Home

Meanwhile, about 38% respondents said that they have a stable internet connection, while 67.3% said that they are sufficient on food. 56.2% said that they are confident to have access to healthcare.

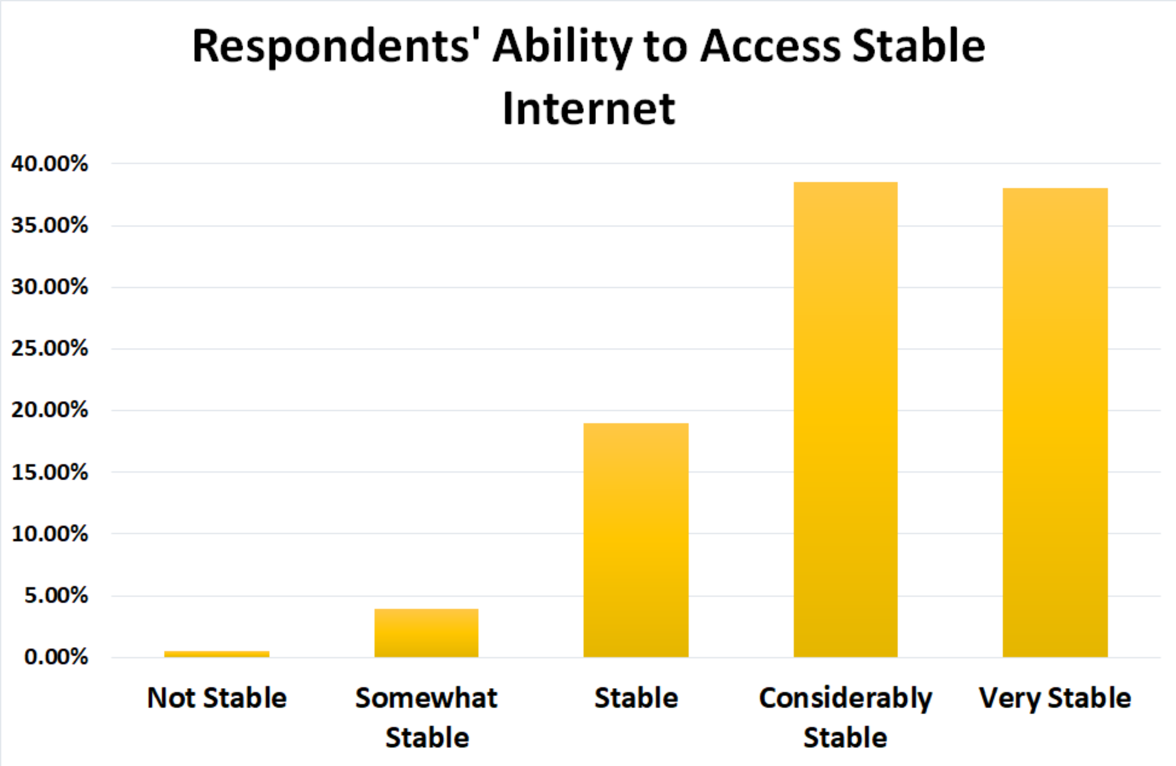


Figure 20: Respondents' Ability to Access Stable Internet

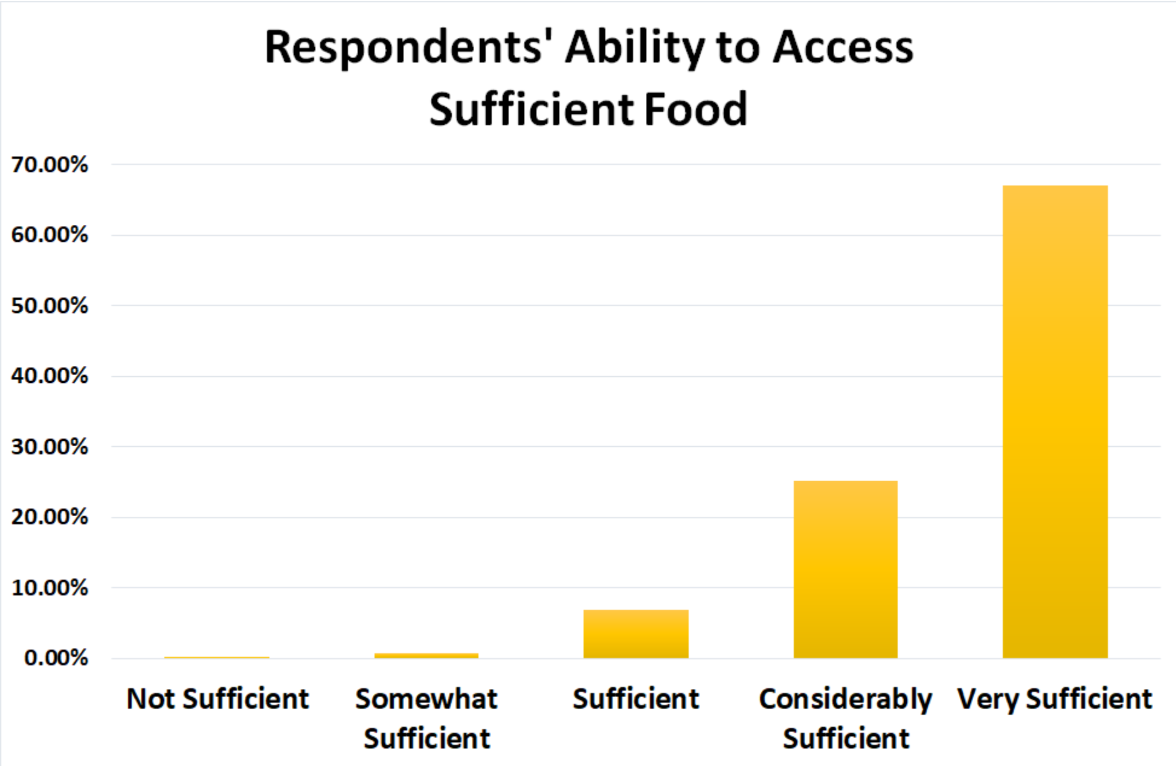


Figure 21: Respondents' Ability to Access Sufficient Food

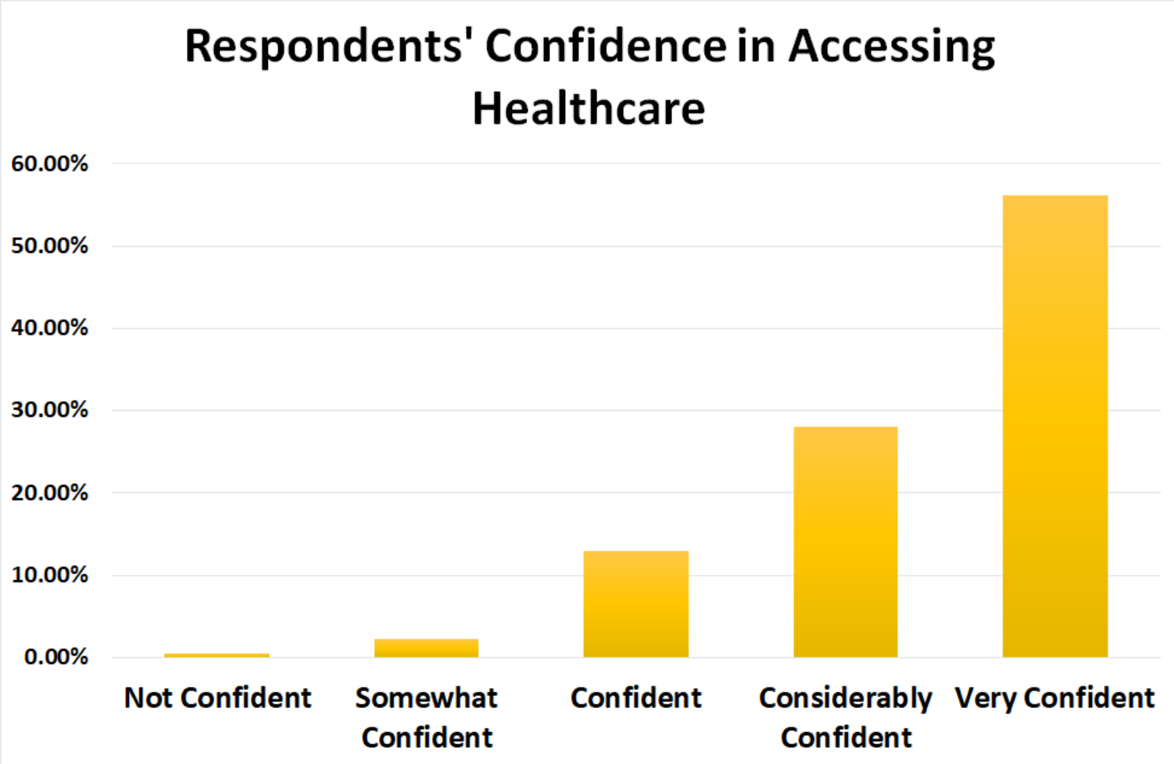


Figure 22: Respondents' Confidence in Accessing Healthcare

Future Prospect

We also asked our respondents what they think of their future prospects amid the uncertainties posed by the pandemic. 45.5% of our respondents are neutral about their future career prospects in the next 6-12 months. More than 28.3% of them are optimistic, followed by about 24.2% who are pessimistic.

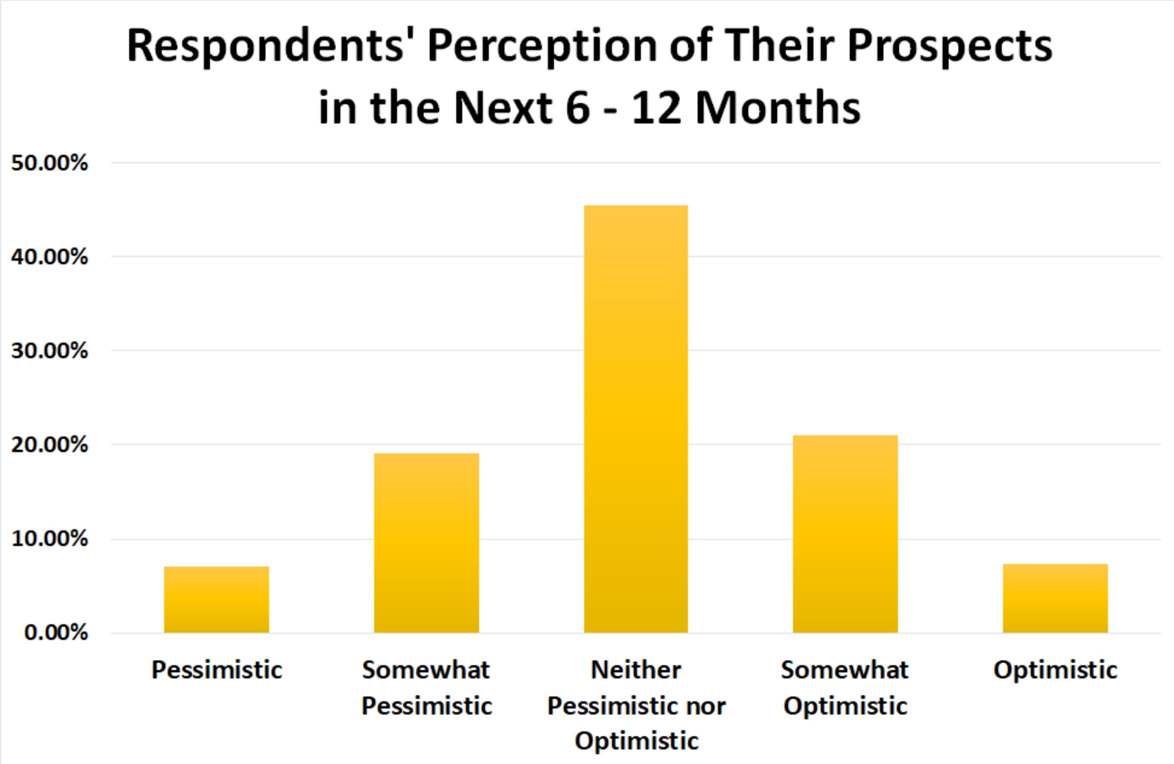


Figure 23: Respondents' Perception of Their Prospects in the Next 6 - 12 Months

The majority of the respondents are looking into new opportunities: 21.4% of them are looking into opportunities in the same industry, whilst 22.7% of them are looking into opportunities in new industries. A mere 13.6% of them would like to further their studies.

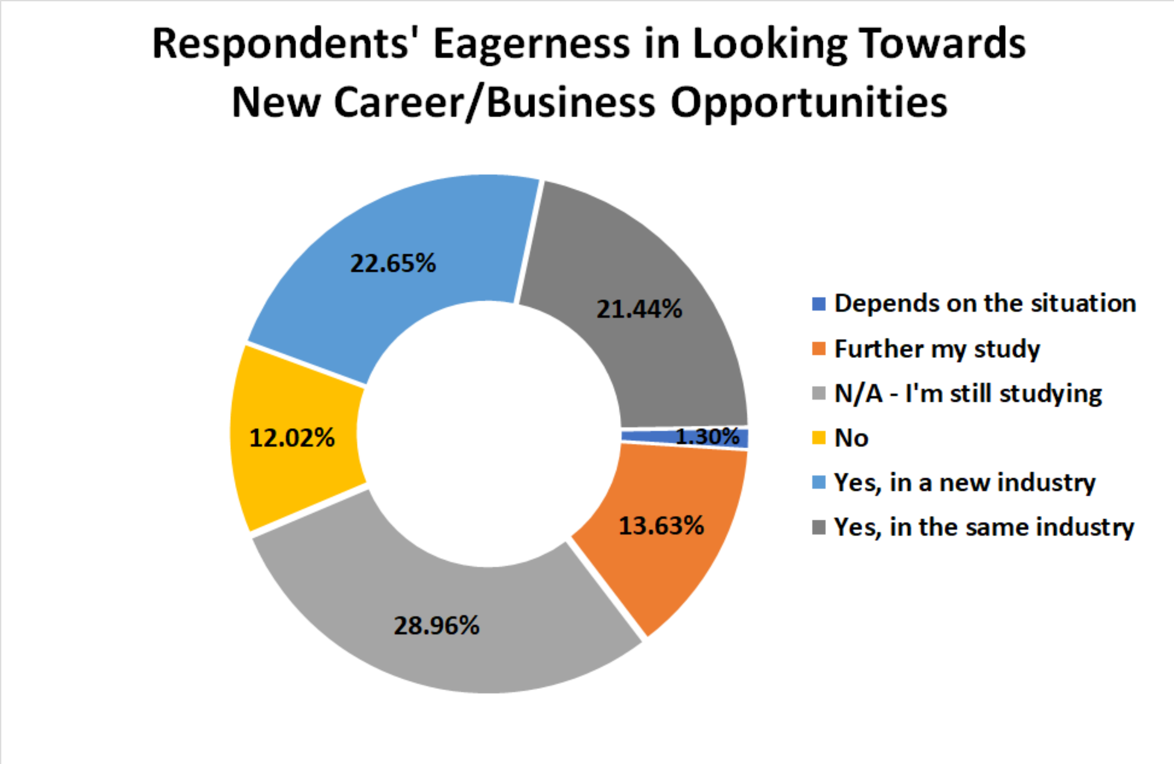


Figure 24: Respondents' Eagerness in Looking Towards New Career/Business Opportunities

The gig economy seems to be an attractive option for youths. 6.5% of our respondents are already in the gig economy whilst 75% of our respondents stated that they would and may consider entering the gig economy.

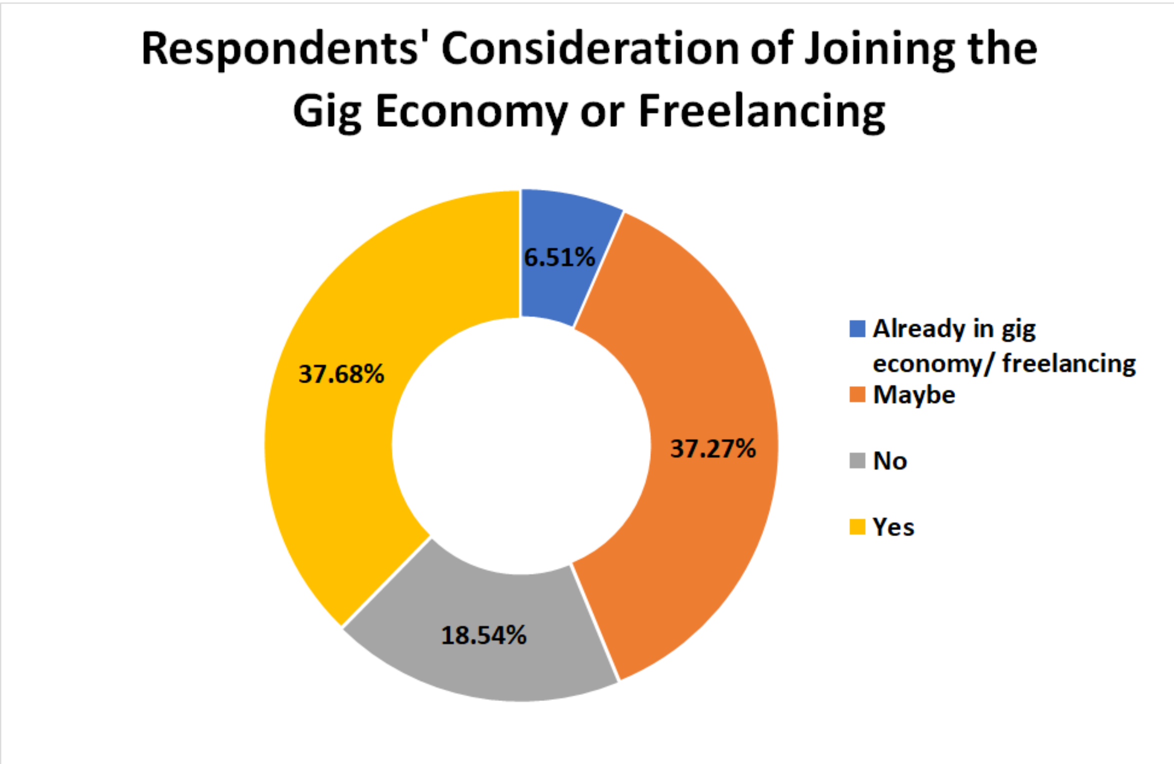


Figure 25: Respondents' Consideration of Joining the Gig Economy or Freelancing

Interestingly, only 4.7% of them already have a business, whilst 65.8% of our respondents are keen or considering starting their own business. Also, 29.6% of them would not consider starting a business as an option for them.

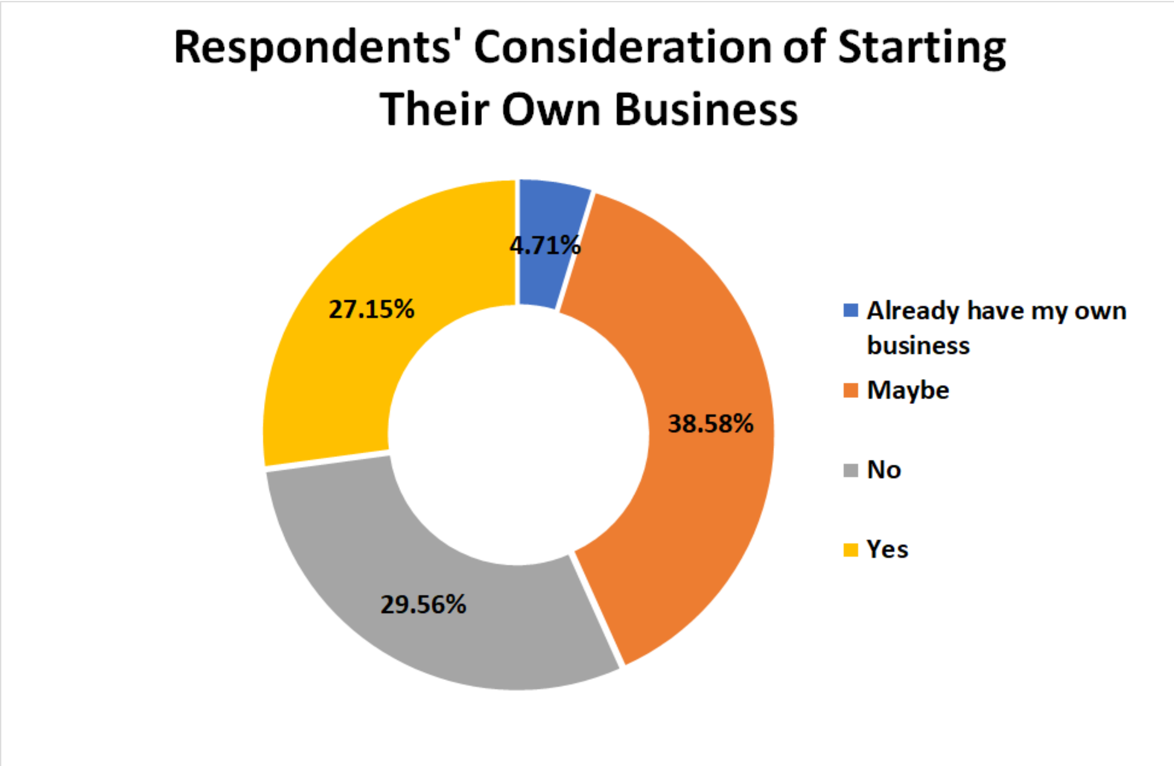


Figure 26: Respondents' Consideration of Starting Their Own Business

Our Respondents' Stories

To complement our survey, we also asked our respondents to share their stories with us. From these anecdotes we find that many youth are overwhelmed by the circumstances brought by the pandemic, causing them mental stress. Below are some of the entries:

"The added stress of this pandamic [sic] really made me feel as if there's no future anymore, although we're doing our part to flatten the curve. For me just being home with technology all the time really is making me think about bad scenarios more often than the good."

"As a self employed freelancing business owner doing photography work, I've seen business literally evaporate overnight as scheduled events and other appointments got cancelled one after the other. I did pretty well for myself before MCO [began] but after that all my income disappeared and not even my side gig of doing electronic and computer repair could help reduce the burden as all of it involved close proximity and travel. Could not [qualify] for governmental aid despite the promise of "nobody will be left behind" either so I had to rely on whatever little savings I've had from cutting back on operational costs and also the kindness of my high school alumni association for some support. So most of the time I'm just sitting at home, desperately waiting for the industry to revive and usher in a revival of creative demand and I can go back to helping others make and keep moments and memories forever."

"I would like to do Grab as a full timer. But without financial support, I'm unable to rent/ buy a car within the 5 year old mark range. I also would like to pursue my YouTube career as an independent animator."

"As a fresh graduate, I felt quite depressed from the past 2 months as I couldn't find [my] own direction of where I should go. I questioned myself for the past few weeks [about] what [to] do I want in life & it got worse every time as I do not know what I could have during this period of time."

“Me & my peers have been suffering on seeking [our] own paths to move on. Until recently, we talked it out & trying to find what interested us the most [hobby/ interests] and we started to work on it. This has somehow relieved us from the frustration, and it has gradually helped us to reconsider what suits us the most. Till now we’ve been trying our best to self-motivate & forcing ourselves to seek for employment chances regardless on how bad the situation is, and trying to build [our] own interests/ skills to make ourselves useful; or at least, a direction to motivate ourselves and move on.”

“In this MCO, my family and I suffer from lacking money. And I still need to pay for college. My father is a taxi driver and he can't work. Even [though] my father [goes to] work, he also [no] customer. School didn't want to cut some money to help us. Life is really hard…”

“My family has no income at the moment as my mum is a pre-school operator & my dad is unemployed. but my other family members have been helping as much as they can as well.”

“MCO makes me a more disciplined person and it is a great opportunity for me to communicate with myself, to enhance my time management and stress management, and to build relationships with my important ones. But it is very stressful to handle online classes as they are very different from actual classes and they are not efficient at all. Hence, I need to do a lot of self study in which it’s challenging as I have limited study material and a challenging environment. Also, it would be mentally challenging for me as the MCO has been restricting me from going outside and having to stay in the same environment for a long time. I could lose my motivation and could lose my focus to continue my study and daily activities.”

Conclusion

Our findings confirm the widely held belief that youth are more vulnerable to the impact of COVID-19. We have also found that rural youth tend to be more seriously affected compared to their urban counterparts, with a more drastic income reduction.

Students are also one of the worst hit, as their prospects to continue their study is compromised. For the recent graduates, many lost their internship or job offers as they are often the first ones to be laid off. Different age groups experience different difficulties.

The younger youth are less established in their career, hence more vulnerable, but at the same time, older youth have more commitments and dependents. Faced with multiple stressors, many respondents have also accounted how the pandemic has taken a toll on their mental health.

As such, we recommend that the government consider a youth specific assistance for COVID-19. Incentive schemes such as the Graduates@Work would help more young graduates to get hired. The government should also subsidize and invest in skills training for the youth. As the impact of COVID-19 is set to prolong into 2021, it will have uneven impacts on different job types. As such, upskilling and reskilling will become essential for the youth to withstand, and even adapt to the new job market. A special focus must be given to rural youth who have been impacted greater than their urban counterpart. Lastly, mental health among youth is an area that needs to be dealt with greater effort and more counseling services should be made available.

It is important to note that during the period of the survey, all the support measures announced by the government were in force, and even then, there is a clear effect of the pandemic on earnings and on job opportunities. There is every reason to think this will worsen when the short-term support rolls off, at least in the absence of additional measures as part of Budget 2021.

About REFSA

Research for Social Advancement (REFSA) is a progressive, non-profit think tank that promotes social advancement in Malaysia. Since its inception, REFSA has been at the forefront of policy discussions and debates in the important political and socio-economic issues of the nation. Today, our aspiration hasn't changed – we want to power the movement for a just, inclusive and multi-ethnic society.

About REFSA Brief

REFSA Brief is a series of briefs and opinion pieces that aim to analyse pertinent socio-economic issues and encourage discussions in policy issues across the public, private and the third sector.

This report was prepared by Ivy Kwek, Nik Mohamed Rashid Nik Zurin, Benedict Sun Cheng Kidd and Miao Ling Ng. With thanks to Frederik Paulus and Farhana Roslan for feedback and advice.

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