

BOOSTING a shrinking labour force? Get more women to work. Plummeting birth rate?

Encourage women to have more children. Need resources to manage an ageing society? Women make the best carers at home.

In the wake of yet another International Women's Day, it is time for a frank reflection.

The Malaysian woman is akin to a "Swiss Army Knife" – a versatile, reliable tool expected to perform every function simultaneously. But even the most robust tool has a breaking point when it is twisted beyond its intended purpose.

Participation rate

In 2025, Malaysia's female labour force participation rate (LFPR) stood at 56.6%, starkly contrasted against 83.3% for males. In simple terms, for every 10 men, eight are in the workforce, and for every 10 women, barely six are. This gap is why the government has set a target of 60% female LFPR by 2033.

However, viewing women solely through the lens of labour participation is dangerously shallow.

My personal hot take, a country's obsession with female participation, without discussing social protection, career opportunities, care burdens, and population dynamics, is a very isolating and even counterproductive conversation.

We cannot ask women to "lean in" to the office while the structural weight of the home pulls them out.

Statistical squeeze

The "Swiss Army Knife" model is buckling. Just look at the data. Malaysia's population is projected to peak at 42.38 million in 2059 before declining.

Our fertility rate fell to 1.7 children per woman in 2025, well below the 2.1 replacement level.

Meanwhile, the country is ageing rapidly. As of the fourth quarter of financial year 2025, 8% of Malaysians were aged 65 and above, making Malaysia an ageing nation, with an "aged nation" status expected by 2044.

In reality, the demographic pressures will be felt much sooner in economic centres: Kuala



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Lumpur is projected to peak by 2031, Penang by 2040, and Selangor by 2049.

Within households, these pressures fall disproportionately on women. The Khazanah Research Institute estimates that Malaysian women spend 63.6% more time on unpaid care work than men.

In effect, women are expected to raise children, care for ageing parents, and remain active in the workforce. Yet, this arrangement often leaves them more vulnerable in later life.

Because women live longer but frequently step away from work to provide care, many reach old age with lower retirement savings and a higher risk of poverty and ill-health.

Even when they stay in the workforce, the Motherhood Penalty is real: the Malaysia Gender Gap Index 2025 shows women earn only RM93.08 for every RM100 earned by men.

This wage gap, coupled with the fact that women hold only 27.1% of high-level management positions despite making up 60% of university enrollments, represents a massive failure in our return on investment for human capital.

Beyond token gestures

To our policymakers and corporate leaders: we must stop viewing women simply as an

■ **Successful policy is more than just increased female labour participation**

■ **Holistic incentives matter, not token piecemeal gestures**

■ **Supporting women is an economic necessity**

"untapped labour reserve" to be called upon when the numbers look lean.

This perspective is unsustainable. If we want women to drive our industrial future while sustaining our demographic one, we need a framework that addresses five critical outcomes:

> **Support retention:** We must close the pay gap and ensure leadership positions across the career pipelines are actually accessible for women.

> **Support the optimal reproductive window (ages 24 to 35):** We need childcare incentives that actually move the needle.

This means childcare-to-wage calculations that make financial sense for the family. We should even consider radical ideas, such as the Hungarian model of eliminating income tax for women with four or more children.

> **Facilitate the "return":** Career comeback incentives have been announced by the government since 2024, yet many remain non-operational, buried in bureaucracy at the Finance Ministry.

> **Reduce the care burden:** Increase the supply of affordable care and shift the cultural perception that care is a "primarily female" responsibility to one of shared responsibility, alongside better health and retirement planning policies.

> **Close the retirement savings gap:** Introduce transparency in household retirement planning – including 50:50 Employees

Provident Fund contribution sharing in single-income households regardless of the gender of the working spouse, as well as enhance inheritance and faraid frameworks so that wealth is distributed more efficiently across different family generations.

Ideal threshold

The Malaysian woman is indeed the Swiss Army Knife of our economy.

She is the graduate, the manager, the mother, and the daughter-caregiver. But the many knives it has cannot be expanded in all directions simultaneously without losing their functionality.

Ultimately, addressing female labour participation is about addressing both the work and family environments in tandem.

Piecemeal, half-hearted incentives that don't move the needle will continue to fail.

If an incentive framework doesn't generate a "Hell Yes!" from a struggling mother or a mid-career woman professional, it isn't working.

If we want a resilient Malaysia in 2030 and beyond, our policies must reflect a new reality: women are already carrying a disproportionate share of the nation's social and economic burden.

Supporting them is not an act of charity – it is an act of economic survival for both genders.

It is time we stop asking women to adapt to outdated career and social structures, and start building systems that work for them – and ultimately for Malaysian families.



This visual is human-created, AI-aided

Women, the economy's Swiss Army Knife