29. The Number of Visitors visiting Sabah, Malaysia and the Unemployment Rate are Key Metrics for SDG 8 (Decent Work and Economic Growth)

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EXTENDED ABSTRACT

Sabah is Malaysia's second-largest state after Sarawak. Sabah is one of the few states continuously contributing to Malaysia's GDP growth. It is rich in natural resources (DOSM, 2021). This research investigates how the number of Malaysians who visit Sabah impacts the unemployment rate (SDG 8, Decent Work and Economic Growth). Even though Sabah receives many domestic visitors yearly, the unemployment rate is relatively high. From 2012 to 2021, Sabah had the highest average unemployment rate in Malaysia, at 6.04%. According to Malaysia's Household Income and Basic Amenities Survey Report (2019) by the Department of Statistics Malaysia (DOSM), Sabah has the highest incidence of Poverty, with 23.9% and 19.5% in 2016 and 2019, respectively. Consequently, it is unsurprising that Sabah has the lowest GDP and is the poorest in Malaysia compared to other states.

LITERATURE REVIEW

Solarin et al. (2022) discovered that microcredit, microinsurance, savings, training, and social intermediation services improved the socioeconomic well-being of urban families in Sabah, Malaysia's poorest state. While Encharang et al. (2022) investigated the influence of three distinct types of subsidies on Poverty in eight rural areas in Sabah from 2009 to 2016, Poverty is the dependent variable. In contrast, subsidies for chosen consumer commodities, such as gasoline, diesel, and liquefied petroleum gas (LPG), are employed as independent variables.

RESEARCH METHOD

The study will use data from the Malaysian Department of Statistics (DOSM) and the United Nations (UN).

DISCUSSIONS

This research aims to investigate the link between the number of domestic tourists visiting Sabah from 2012 to 2021 and the state's unemployment rate from 2012 to 2021. Table 1 displays the total number of domestic visitors visiting Malaysia from 2012 to 2021. According to the Department of Statistic Malaysia (DOSM), Sabah is one of Malaysia's top five most visited states (from 2012 until 2021). Sabah has a lot to offer as a state's primary attraction, such as Kinabalu Mountain, the tallest

mountain in Borneo and Malaysia, and many beautiful islands, such as Gaya, Mamutik, Sapi, and others. Sabah is also Malaysia's third most populated state and has the highest number of domestic visitors after Selangor and the Federal Territory of Kuala Lumpur.

Table 1: Number of Domestic Visitors by State Visited from 2012-2021 (in '000)

States	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
JHR	9,486	10,360	11,637	11,589	12,207	13,141	13,487	14,274	7,243	3,658	107,082
KDH	8,474	8,706	11,373	12,425	13,188	13,305	14,480	14,831	10,108	4,023	110,913
KTN	10,312	11,560	12,047	9,070	8,646	9,624	9,846	10,986	6,058	1,921	90,070
MLK	8,413	9,783	11,582	11,552	12,268	12,625	13,123	13,979	7,275	3,878	104,478
NSN	8,366	7,688	8,555	9,984	10,130	10,822	12,802	13,303	7,918	5,485	95,053
PHG	7,689	9,099	13,027	14,398	14,168	16,491	18,111	18,498	9,905	3,405	124,791
PNG	7,601	6,319	7,858	9,341	12,565	12,643	14,450	15,411	8,929	5,061	100,178
PRK	12,998	13,997	14,596	15,966	16,783	20,110	17,553	21,070	13,173	4,489	150,735
PLS	980	1,057	923	1,410	1,410	1,414	2,156	2,088	1,193	407	13,038
SGR	17,886	21,089	21,800	22,063	24,124	25,491	30,179	33,589	19,715	10,212	226,148
TRG	7,939	9,593	9,499	11,483	12,010	12,979	13,742	14,158	7,420	3,719	102,542
SBH	**17,301**	**15,783**	**16,220**	**15,722**	**16,518**	**17,792**	**20,360**	**22,035**	**10,337**	**3,815**	**155,883**
SWK	10,573	12,271	13,608	15,355	16,282	17,670	19,380	19,793	9,393	6,511	140,836
KUL	12,538	14,440	15,419	15,080	16,784	19,049	19,165	22,633	12,435	9,116	156,659
LBN	179	253	308	310	354	381	545	524	107	54	3,015
PJY	698	876	830	1,188	1,816	1,872	1,892	1,949	451	223	11,795
MAS	**141,433**	**152,874**	**169,282**	**176,936**	**189,253**	**205,409**	**221,271**	**239,121**	**131,660**	**65,977**	**1,693,216**

Source: Domestic Tourism Survey, Department of Statistics Malaysia, various issues.
Note: JHR – Johor, KDH – Kedah, KTN – Kelantan, MLK – Melaka, NSN – Negeri Sembilan, PHG – Pahang, PNG – Penang, PRK – Perak, PLS – Perlis, SGR – Selangor, TRG – Terengganu, SBH – Sabah, SWK – Sarawak, KUL – Kuala Lumpur, LBN – Labuan, PJY -Putrajaya, MAS – Malaysia.

Table 2: Top 5 Most Visited States by Domestic Tourists from 2012-2021

Year/Rank	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1st	SGR	SGR	SGR	SGR	SGR	SGR	SGR	SGR	SGR	SGR
2nd	**SBH**	**SBH**	**SBH**	PRK	KUL	PRK	**SBH**	KUL	PRK	KUL
3rd	PRK	KUL	KUL	**SBH**	PRK	KUL	SWK	**SBH**	KUL	SWK
4th	KUL	PRK	PRK	SWK	**SBH**	**SBH**	KUL	PRK	**SBH**	NSN
5th	SWK	SWK	SWK	KUL	SWK	SWK	PHG	SWK	KDH	PNG

Source: Domestic Tourism Survey, Department of Statistics Malaysia, various issues.
Note: KDH – Kedah, KUL – Kuala Lumpur, NSN – Negeri Sembilan, PHG – Pahang, PNG – Penang, PRK – Perak, SBH – Sabah, SGR – Selangor, SWK – Sarawak.

Table 2 lists the top five states in terms of local visitors. From 2012 to 2020, Sabah was always one of the top five states in Malaysia in terms of domestic tourism. The only year it did not rank among the top five was 2021. If you exclude Selangor and Federal Territory Kuala Lumpur as Malaysia's capital, Sabah is the state with the highest number of domestic visitors. As a result, Sabah is Malaysia's third most visited state, after only the capital, Kuala Lumpur, and Selangor (the most developed state in Malaysia).

Figure 1 depicts the unemployment rate in Malaysia in each state from 2012 to 2021. From 2012 to 2021, Sabah accounted for 9% of all jobs in Malaysia, with the highest unemployment rate in the country. Compared to other states, Sabah has the highest unemployment rate in history, at 9% in 2021 (post COVID-19).
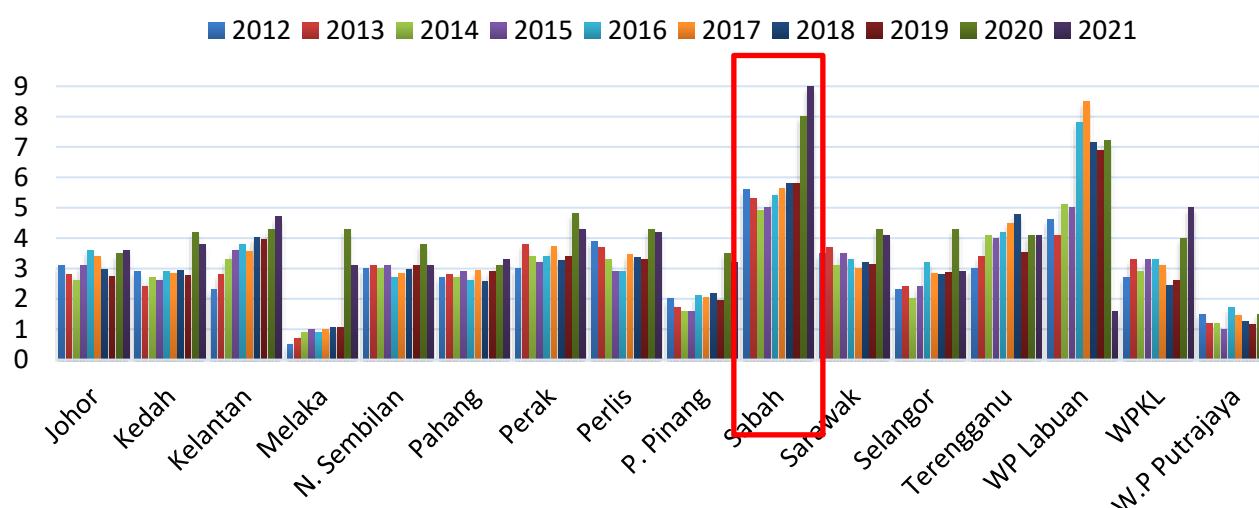
Figure 1: Unemployment Rate for all States in Malaysia from 2012 to 2021 (in %)

Source: Domestic Tourism Survey, Department of Statistics Malaysia, various issues.

Table 3 depicts Malaysia's unemployment rate from 2012 to 2021. The same data indicated that Sabah was consistently one of the top two states with the highest unemployment rate from 2012 to 2021. Labuan Federal Territory is also included (a federal territory neighboring Sabah, which is the second place among all Malaysia states with the highest unemployment rate).

Table 3: Top 5 States with Highest Unemployment Rate from 2012-2021

Year/Rank	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1st	SBH	SBH	LBN	SBH	LBN	LBN	LBN	LBN	SBH	SBH
2nd	LBN	LBN	SBH	LBN	SBH	SBH	SBH	SBH	LBN	PJY
3rd	PLS	PRK	TRG	TRG	TRG	TRG	TRG	KTN	PRK	KUL
4th	SWK	PLS	PRK	KTN	KTN	PRK	KTN	TRG	KTN	KTN
5th	JHR	SWK	KTN	SWK	JHR	KTN	PLS	PRK	MLK	PRK

Source: data.gov.my (n.d); Department of Statistic Malaysia, DOSM, (2022).
Notes: JHR – Johor, KTN – Kelantan, LBN – Labuan, MLK – Melaka, PJY – Putrajaya, PLS – Perlis, PRK – Perak, SBH – Sabah, SWK – Sarawak, TRG – Terengganu

MANAGERIAL IMPLICATIONS

In connection with SDG 8, the researcher aims to illustrate the disparity between the number of job opportunities created by domestic tourist arrivals and Sabah's higher unemployment rate (SDG 8, Decent Work and Economic Work). In the future, there may be a more in-depth look at the growing differences between Sabah's urban and rural areas and the high rate of Poverty in Sabah.

FUTURE RESEARCH DIRECTIONS

Higher unemployment rates have been a problem for a long time. Sabah lags behind other Malaysian states regarding economics, society, and development (TheEdge Market, 2018). Unfavorable levels of unemployment and Poverty will make it difficult for Sabah inhabitants to obtain suitable jobs,

reducing their purchasing power, preventing economic activity, and eventually resulting in below-the-par educational standards. There is an urgent need for study in this area.

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