

Job market buoyed by reopening of economy

PETALING JAYA: Malaysia's labour market experienced a gradual recovery in 2021, buoyed by the progressive reopening of the economy and resumption of social activities.

According to the **Statistics Department**, a more targeted approach was undertaken to manage the public health situation last year, especially in the second half of 2021, as compared to a blanket restriction exercised in 2020.

On top of various initiatives by the government, **chief statistician Datuk Seri Mohd Uzir Mahidin** said the continuous resumption of economic activities with longer business hours, coupled with permission for social activities and inter-state travel had significantly contributed in stimulating Malaysia's economic performance.

"Employed persons recorded a total of 15.1 million persons in 2021, rising 0.7% as compared to the previous year.

"Subsequently, the ability of an economy to create employment, which was indicated by the employment-to-population ratio, improved by 0.1 percentage points year-on-year, registering a ratio of 65.4% (2020: 65.3%)." A major composition of employed persons in Malaysia comprised individuals in the "semi-skilled occupation" category, which accounted for more than half (57.7%) of the total employed persons in 2021 or equivalent to 8.7 million persons.

"Meanwhile, employed persons in the construction and mining and quarrying sectors encompassed 7.7% and 0.5% respectively," said Mohd Uzir.

Separately, employed persons in the "skilled" category comprised 29.6% (4.5 million persons) while the "low-skilled" category was 12.7% (1.9 million persons).

"By economic sector, the majority of the employed persons were concentrated in the services sector with a share of 64.9%, followed by manufacturing (16.6%) and agriculture (10.3%).

"Meanwhile, employed persons in the construction and mining and quarrying sectors encompassed 7.7% and 0.5% respectively," said Mohd Uzir.

Separately, he said the unemployment rate in 2021 recorded a slight increase of 0.1 percentage point to 4.6% (2020: 4.5%).

"Accordingly, the number of unemployed persons increased by 3.1% (22,000 persons) to 733,000 persons (2020: 711,000 persons).

"The actively unemployed, which dominated 75.7% of the total unemployed persons, augmented by 7.9% to record 554,700 persons (2020: 514,200 persons).

"More than half in this category (56.4%) were unemployed for less than three months," said Mohd Uzir.

With regards to unemployment levels by age group in 2021, Mohd Uzir said the unemployment rate for youths aged 15 to 24 years decreased by 0.7 percentage points to 11.3%, recording 329,100 unemployed individuals.

“The unemployment rate for adults aged 25 to 64 years edged up by 0.1 percentage point to 3.1%.

“In line with this, the number of adult unemployed rose by 2.9% to 408,400 persons.

“Observing the unemployment rate by state in 2021, three states registered a higher unemployment rate than the national level, namely Sabah (8.2%), Labuan (7.4%) and Perak (5.3%).

In the meantime, Putrajaya (1.6%), Melaka (2%) and Pahang (3.3%), posted among the lowest unemployment rates in 2021.”

<https://www.thestar.com.my/business/business-news/2022/04/28/job-market-buoyed-by-reopening-of-economy>