



## Transition to NRP supports gradual labour market recovery in 3Q

KUALA LUMPUR: The gradual recovery in the labour market in the third quarter of 2021 (3Q 2021) was supported by transition to the National Recovery Plan (NRP), coupled with the rise in vaccination rate, according to the **Department of Statistics Malaysia (DOSM)**.

**Chief statistician Datuk Seri Dr Mohd Uzir Mahidin** said with the continuous rise in vaccination throughout the quarter, several states had transitioned to the next phases of the NRP while restrictions were slowly lifted.

“Thus, gradual recovery was observed in the labour market during the 3Q 2021 as reflected by the modest year-on-year increment of employment while jobs in the economic sector declined marginally,” he said in a statement today following the release of the Labour Market Review, Third Quarter 2021 report.

Mohd Uzir said the number of employed persons recorded an increase of 1.2 per cent to 15.27 million after rising by 2.2 per cent in the previous quarter, while the number of unemployed rose by 0.2 per cent to 746,200 and the unemployment rate was unchanged at 4.7 per cent.

Meanwhile, he said the number of employed persons working less than 30 hours per week surged 15.0 per cent year-on-year to 464,600 and subsequently, the rate of time-related underemployment rose to 2.1 per cent to 326,200.

He said the number of tertiary educated employed persons working in semi-skilled and low-skilled occupation categories increased 6.3 per cent to 1.87 million compared to 3Q 2020.

On labour demand, Mohd Uzir said the total number of jobs in the private sector reduced 0.8 per cent to 8.41 million in 3Q 2021 compared to 8.47 million in the same quarter last year.

He pointed out that filled jobs dropped 0.7 per cent to 8.23 million, while vacancies lessened 3.0 per cent to 174,000.

On vacancy rate, he said it remained at 2.1 per cent for five successive quarters since Q3 2020, while rate of filled jobs stood at 97.9 per cent.

“The 3Q 2021 saw lower number of jobs created at 15,000 compared to 21,000 jobs created in the same quarter a year ago,” he said.

He said as the economy returned to a contraction of 4.5 per cent in 3Q 2021, labour productivity per employment fell 5.6 per cent year-on-year.

“With the shrinking labour demand and increasing number of potential new entrants into the labour market, continuous reform is required in scaling up job opportunities,” he said.

Hence, Mohd Uzir said long-term ideal interventions may enable better absorption of labour supply into the labour market, and ultimately guarantee rise in efficiency, as well as economic growth.

“While supply side indicated moderate performance year-on-year with an increase in employed persons and a slight addition to unemployment, the economic sector demand registered a mild decline,” he said, adding that Malaysia’s labour market performance has yet to pick up relative to the pre-pandemic levels.

Entering into 4Q 2021, he said the public health situation appeared to be improving alongside the accelerated vaccination efforts.

“As most states had shifted to phase four, the economy is anticipated to regain momentum and consequently foster jobs growth, hence, improving the labour market conditions.

“As the nation is poised to exit the pandemic phase, the strategies and initiatives in Budget 2022 and the 12th Malaysia Plan will definitely facilitate better interactions in the labour market and ensure its gradual improvement surpassing the pre-pandemic level,” he added. — Bernama

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