



Job growth down, unemployment up, says government report

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KUALA LUMPUR: Job growth has slowed while unemployment has risen, according to a labour force survey report by the government.

From 2015 to 2016, the number of employed people increased by 96,000 people to 14.2 million.

In comparison, from 2014 to 2015, there was a rise of 215,100 people employed to 14.1 million.

Meanwhile from 2015 to 2016, the number of unemployed rose by 53,800 to 504,100 people. In 2015, comparatively, unemployment was at 450,300, up 39,200 people from 2014.

In terms of percentages, the unemployment rate in 2016 was 3.4%, a 0.3% increase from 3.1% in 2015. In 2014, the unemployment rate was only 2.9%.

Youths aged between 20 to 29 made up more than half of those unemployed in 2016, at 60.4%. This was down from 62.5% the year before.

However, the rate for other age groups grew. There was a 3.1% increase in unemployment among those aged 30 to 39, from 7.7% to 9.4%.

Unemployment rose 1.1% from 6.7% to 7.8% for the age group 40 to 64.

The Department of Statistics' chief statistician Mohd Uzir Mahidin said in the report that despite the increase in the unemployment rate, the country's economy was still "operating in full employment, that is an unemployment rate below 4%".

Bank Negara Malaysia, in its 2016 annual report, had said youths represented more than half of unemployed workers, although they only made up a third of the labour force.

"Cautious business sentiments and moderating economic performance have restrained businesses from expanding their workforce," it had said in the report.

The central bank also stressed that youths were perhaps the last to be hired and the first to be made redundant due to a lack of experience, higher information asymmetry on the labour market and poor communication skills.