



**PRIME MINISTER'S DEPARTMENT
DEPARTMENT OF STATISTICS MALAYSIA**

PRESS RELEASE
LABOUR MARKET REVIEW, FOURTH QUARTER 2021

Introduction

The Labour Market Review (LMR) is a quarterly release by Malaysian Bureau of Labour Statistics (MBLS), Department of Statistics, Malaysia (DOSM) that brings official statistics to life through reviews and features which highlighted the most recent trends in labour market. The quarterly statistics is consolidated in a narrative to provide readers with a comprehensive view on Malaysia's labour market.

The report is divided into three segments to provide readers the different aspects of labour market information encompassing Labour Supply, Labour Demand and Labour Productivity. The special feature of the report is for every quarter, there is one or more article(s) highlighting the most recent labour market issues through statistics; or delving on the methodologies to strengthen labour market statistics.

The report will elaborate on the year-on-year changes as well as the short-term changes from the previous quarter to examine the immediate effect of recent events. Users are advised to interpret the quarterly changes with cautions since they are non-seasonally adjusted. The LMR can be used by policy makers, academicians, economists, researchers and other users for studies related to the labour market. It is hoped that this report can facilitate the growing demand for labour market statistics.

Key Reviews

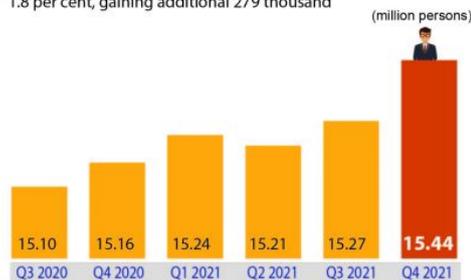
- In overall, Malaysia's labour market regained momentum towards recovery in the fourth quarter of 2021 stimulated by revival of more economic and social activities. Employment continued to trend up as demand for labour surged and attributed to lowest unemployment rate since the arrival of the pandemic in this country.
- In Q4 2021, the number of employed persons registered a year-on-year increase of 1.8 per cent to record 15.44 million persons with employment-to-population ratio edged up to 65.7 per cent. The unemployment rate slipped 0.5 percentage points to 4.3 per cent registering the lowest rate since the public health crisis whereby the number of unemployed persons lessened by 66.3 thousand to 694.4 thousand persons.
- Almost all states have transitioned to Phase 4 of the National Recovery Plan (NRP) during Q4 2021 which allowed more businesses to operate with higher number of employees at one point of time whilst business hours were also extended. Thus, the number of employed persons working less than 30 hours per week decreased by 2 6.2 per cent as against the same quarter of previous year to record 393.8 thousand persons. Accordingly, the rate of time-related underemployment dropped 0.5 percentage points to 1.9 per cent. Meanwhile, skill-related underemployment increased marginally to 37.5 per cent.
- In terms of labour demand in the economic sector, jobs grew 0.9 per cent compared to the same quarter of the preceding year to record 8.531 million jobs during Q4 2021. Filled jobs which comprised of 97.8 per cent surged 0.8 per cent year-on-year to record 8.347 million. Meanwhile jobs opening as reflected by the number of vacancies rose by 4.4 per cent to 183.6 thousand vacancies during the same quarter.
- As Malaysia's economy rebounded to 3.6 per cent in Q4 2021 while employment continued its positive growth, labour productivity per employment turned around by 1.7 per cent, registering the level of RM24,006 per person. During the same period, total hours worked surged 2.3 per cent to 8.78 billion hours following resumption of more businesses. Thus, labour productivity per hour worked grew 1.3 per cent after declining for the last two quarters.



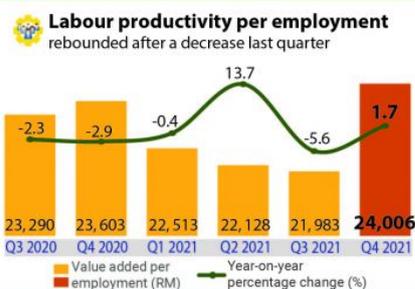
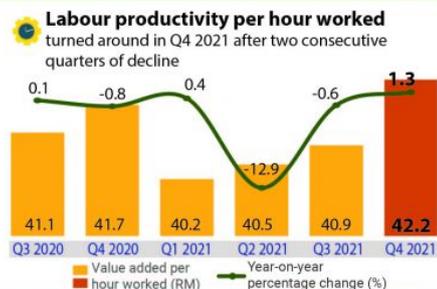
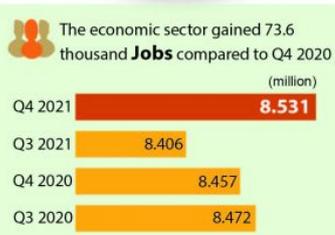
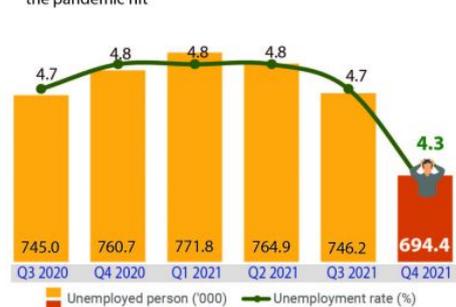
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Labour market regained momentum in the fourth quarter of 2021 recording higher labour participation while labour demand picked up

Employed persons posted further year-on-year increase of 1.8 per cent, gaining additional 279 thousand



Unemployment slipped to the lowest rate since the pandemic hit



Source: Labour Market Review Fourth Quarter 2021, Department of Statistics Malaysia

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- The future of work, which is shifting towards digitalisation has continued to foster the rise in a more flexible working arrangement coined as gig job. Although there is an agreed concept and definition of digital economy, the universally standardised definition on gig work has yet to be established. With low barriers for entry, participation in digital platform employment provides a temporary solution for income generation following losing previous employment and difficulties in securing another one with equal or higher pay. Despite all the flexibilities, the drawbacks of working in this type of job is lack of social safety net. With a better law and employment rights protecting the gig workers, gig job can attract involvement of high skilled personnel and become a sustainable as well as a profitable option in the future.
- Moving into 2022, all states are in Phase 4 of the NRP. However, daily number of COVID-19 cases have started to rise again in February. Instead of implementing blanket restrictions, targeted mechanism is designed to keep the situation at bay. Individuals, community and businesses are urged to assume self-responsibility in ensuring protection against the virus. The relentless focus towards stabilising the public health crisis coupled with continuation of various initiatives to ensure economic and labour market sustainability and continuity are expected to provide gradual path towards recovery of the labour market in the forthcoming quarter, notwithstanding the threat of more lethal variant of COVID-19.



Download full LMR Q4 2021 publication [here](#)

The full publication of LMR Q4 2021 is also accessible and downloadable free of charge through the [eStatistik](#) application in DOSM web page, www.dosm.gov.my.

Released By:

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