

Malaysia records lowest unemployment rate in June at 3.8 per cent

By Qistina Sallehuddin - August 9, 2022 @ 4:12pm



Malaysia has recorded the lowest unemployment rate at 3.8 per cent in June 2022 since the pandemic began two years ago. - NSTP file pic

KUALA LUMPUR: Malaysia has recorded the lowest unemployment rate at 3.8 per cent in June 2022 since the pandemic began two years ago.

Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed said a total of 630,600 unemployed individuals were recorded compared with 637,700 individuals (3.9 per cent) in May, this year.

"In June 2022, the labour force was found to be more stable, following the continuous increase in the number of workers which is 0.2 per cent (month-on-month) to 16.57 million people, compared to 16.54 million in May.

"The active labour force participation rate for the month remained unchanged at 69.5 per cent," he said in a statement today.

He said the data was based on Malaysia's Key Statistics Labour Force for June, released by the Department of Statistics Malaysia (DoSM) today.

Mustapa said the country also reached its full employment in April 2022, when the unemployment rate was below four per cent as defined by the Organisation for Economic Co-operation and Development (OECD).

He said the achievement of the labour market in June 2022 was in line with the current move towards a stronger economy, following the transition to the endemic phase throughout the country.

"Employment increased by 0.2 per cent in June 2022 to 15.94 million compared to the previous month and it is seen to be strengthening across all sectors, except in the mining and quarrying industries.

"Improvements to the employment rate are driven by the service sectors, specifically the food and beverage services, wholesale and retail, as well as administrative support services," he said.

He added that Malaysia's economy was expected to grow this year at the targeted rate between 5.3 per cent and 6.3 per cent, with the overall trend for the unemployment rate in the country to be around 3.4 per cent.

"Taking various measures into account, the economy is seen to reflect a greater momentum towards a positive recovery, while job opportunities are expected to increase in the market and the unemployment rate to move to the long-term trend," he said.

Meanwhile, he said some key economic indicators also showed progressive growth such as the volume of trade, which increased by 43.4 per cent in June 2022 to a new high of RM270.4 billion, with exports recording an increase of 38.8 per cent to RM146.2 billion.

Mustapa said the Industrial Production Index (IPI) also grew by 12.1 per cent in June 2022, the highest since May 2021, with all components recording positive growth.

At the same time, the sales value of the manufacturing sector in June 2022 increased by 23.4 per cent, which is the highest since May 2021, recording a sales value of RM153.5 billion.

The achievement was mainly driven by the electrical and electronics equipment sub-sector which increased by 25.4 per cent, he said.