

KERATAN AKHBAR

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AKHBAR : THE STAR

July unemployment rate remains at 4.8%

F&B and transport buoy growth in services sector

ECONOMY

PETALING JAYA: The number of unemployed increased slightly to 778,200 persons resulting in July's unemployment rate remaining at 4.8%, according to the Department of Statistics.

The unemployment rate for the month remained at 4.8% as compared to the previous month while year-on-year, declined by 0.1 percentage point (July 2020: 4.7%).

Hence, the number of labour force in July 2021 was slightly higher by 0.04% (June 2021: 0.2% lower) to register 16.07 million persons after registering decreases in the preceding months.

The labour force participation rate during the month stood at 68.3%.

By economic sector, all sectors posted month-on-month declines except for the services sector with a small positive change after registering a decline in the previous month.

Food and beverage services, transport and storage, and information and communications were among the main contributors to the positive growth in the services sector.

The country's chief statistician Datuk Seri Mohd Uzir Mahidin noted that in July, the actively unemployed or those who were available for work and were actively seeking jobs rose 1.3% to 651,300 persons (June 2021: 642,900 persons).

"This group comprised of 83.7% of the total unemployed persons," he said in a statement.

"July 2021 observed the number of employed continued to decline, albeit at a



Bright spark: Food delivery workers are seen in the Klang Valley. They are among the main contributors to the upside in the services sector.

moderate rate, while unemployment increased slightly," said Mohd Uzir, noting that at the beginning of the month, the whole nation was shifted to phase one of the National Recovery Plan, considering the high number of Covid-19 new cases amid the ascending vaccination rate.

"With the permission for 11 business activities to reopen starting Aug 16, 2021 under phase one, along with transitions of some states into phase three and phase four, more labour market activities are foreseen in the upcoming months.

"Nonetheless, due to the uncertain public

health situation, the challenges to the labour market may persist," he added.

Meanwhile, in a statement, Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed said the unemployment rate in the country will be reduced when more states move into phase two of the NRP, especially the Klang Valley which covers Kuala Lumpur, Selangor and Putrajaya starting today.

"The reopening of more economic sectors in the Klang Valley is very important, as it contributes about 40% to the country's gross domestic product," said Mustapa.