

Gig economy is here to stay: MEF

By [Farah Adilla](#) - March 29, 2021 @ 9:36am



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KUALA LUMPUR: Gig economy is here to stay as more people looking for alternatives to earn a living against risk of unemployment post-Covid-19, said Malaysian Employers Federation (MEF) executive director Datuk Shamsuddin Bardan.

Shamsuddin, in an episode of TV3's Money Matters on "How the Labour Market is Changing in 2021" on Saturday, said there had been a spike in people involved in gig economy to more than four million currently from only half a million during pre-Covid-19 time.

"We know that many people are looking at and turning to gig economy during the pandemic because jobs have become more difficult to get. I would say that the gig economy is here to stay - whether there is a recovery or not.

"Of course we are hoping for a recovery. Because of the way things are being done now, the gig economy will be there and it is going to even increase in the future," he said.

Shamsuddin said while the national immunisation programme was underway, employment market would remain challenging in the second and third quarters of the year.

Malaysia's unemployment rate increased to 5.3 per cent in May 2020 from five per cent in April 2020 as the number of unemployed persons rose by 47,300 to 826,100 individuals, according to data from the Statistics Department.

Towards December 2020, unemployment rate went down to 4.8 per cent, but increased in January 2021 to 4.9 per cent due mainly to the implementation of the Movement Control Order 2.0.

Shamsuddin expects unemployment market to improve towards the end of the year.

"This would depend very much on how soon we are able to create the herd immunity. Once we have that, I would say the confidence level of the consumers will go up, the confidence level of the employers also will go up. With that, I think the market especially the local market will be more vibrant," he added.