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Mahathir - Lahour

KUALA LUMPUR, July 10, (Bernama)-- The government will review regulations on the use of foreign labour to simplify the process of approval and increase intake to overcome the current acute shortage of labour in some sectors of the economy, Datuk Seri Dr Mahathir Mohamad said today.

The government would also consider imposing a levy on foreign labour to safeguard the interests of Malaysian workers, he said when tabling the motion on the Sixth Malaysia Plan (6MP) in the Dewan Rakyat here.

The Prime Minister said the relaxation on foreign labour would be initially for a period of two to three years to enable Malaysians to acquire the necessary skills and to give industries sufficient time to adjust their production techniques towards the use of less labour.

To assist the private sector recruit foreign personnel for high skills in the management and technical levels, which were short in supply here, the government would also consider requests from spouses of such personnel for temporary employment in Malaysia, he said.

He added that the government would also set up appropriate machinery to monitor the use of foreign labour to eliminate the employment of illegal immigrants and to ensure Malaysians continue to be given priority where jobs were available. -- more

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Mahathir - Labour 2 Kuala Lumpur

Datuk Seri Dr Mahathir said the imposition of levy was being considered as the foreign workers would be enjoying the benefits of Malaysia's economy and its public services.

The levy would also enable the government to monitor the use of foreign labour and ensure they were used efficiently, and consistent with the demand and supply situation for such labour, he added.

Datuk Seri Dr Mahathir said the labour shortage that Malaysia was experiencing was a consequence of the success of its development efforts.

Although the current tight labour market would enable workers to enjoy high wages, he stressed that immediate corrective measures to address the labour shortage of skilled and unskilled workers were necessary to ensure that the country's economic growth and socio-economic progress were not impeded.

+This is because higher wages, if unaccompanied by higher productivity, will make our products less competitive and the shortage of labour together with higher wages will inhibit investments, + he said. -- more

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Mahathir - Labour 3 Kuala Lumpur

In view of this, Datuk Seri Dr Mahathir said the government was placing greater emphasis on human resource development, particularly to mould the attitudes of the younger generation and to expand educational and training facilities to meet the expanding need for skilled manpower.

The government had also taken appropriate steps to ensure that the private sector play a dominant role in workers' training and to encourage the establishment of more value-added and capital intensive activities as well as automation of existing production processes.

Datuk Seri Dr Mahathir said all the corrective measures taken by the government would, however, take a few years to bear results and to have a full impact on the economy.

Therefore, he said, they must be supplemented by immediate and short term measures to ensure Malaysia remained attractive to investors. --
Bernama

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