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Special incentives for staff gets thumbs-up

THE Government's proposal to give special incentives to long-service staff in public and private sectors got the thumbs-up from employers and employees but they want to know more.

The Malaysian Trades Union Congress (MTUC), the Federation of Malaysian Manufacturers (FMM), the Malaysian Employers Federation (MEF) said the proposal will benefit workers, companies and the Government.

MEF president Zain Majid said, however, he could not comment further until the Government comes out with the details of the proposal.

He said employers recognise long-serving workers in terms of benefits and awards. He said those who have served for 25 years or more in the private sector would have reached senior level and would receive pay and benefits befitting their service.

On Sunday, Human Resources Minister Datuk Lim Ah Lek said long-service employees - both in the private and the public sector - could benefit from special perks, including educational aid for children, if a Human Resources Ministry proposal is adopted.

The proposal covers employees who serve for more than 25 years with an organisation.

Details on the reward scheme are expected to be submitted to the Cabinet next month after feedback from three ministries. The proposal on rewarding loyal employees was put forward by Prime Minister Datuk Seri Dr Mahathir Mohamad in January.

The proposal, MTUC secretary-general Mr G. Rajasekaran said, is not aimed at retaining civil servants but instilling loyalty in employees.

"The Government views it differently. It is not a loss when one of the civil servant opts for retirement and works in the private sector ... as long as these people are working in the country ... it is good for the Government," he told Business Times in Kuala Lumpur yesterday.

MTUC president Zainal Rampak said the rewards aside, employers must treat all their workers well and show that they care about the workers' contribution to the company.

FMM chief executive officer Tan Keok Yin said reward schemes have proved successful for some firms in the private sector especially multinational companies who have managed to retain staff.

But to make it more effective, he suggested that the Government considers rewards in various phases. Rajasekaran also said long-service rewards should be considered for employees who have served more than 10 years, or even five years, and subsequent rewards be given for every additional five years served.

Adia Personnel Sdn Bhd chairman Datuk Jaafar Ali, while in agreement with the proposal, felt motivation should be a main concern in the Human Resources Ministry's proposal.

"I think there should be more focus on performance. The reward should not be based purely on seniority but on contribution to the company. Apart from monetary value, other aspects such as upgrading the staff position to a higher level will be an added encouragement," he said.

Employers generally are of the opinion that monetary value is not that important. Educational aid for children and other benefits including housing loans, additional annual leave and free gifts are considered beneficial.

Housing loans are an incentive that could prove to be popular with

employees, according to Rajasekaran.

"Some employees find it difficult to apply for housing loans. Providing low interest rate housing loans is an added attraction for employees with perhaps a minimum of 10 years service," Rajasekaran suggested.

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