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Labour market outlook for this year favourable

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THIS time last year, many workers were wondering if they would still have jobs the next day. And many did lose their jobs to add to the growing number of victims during the Asian financial crisis.

A year could change so much. Today, as Malaysians begin their journey into the 21st century, the economy has beaten the crisis, companies have started to report profits, and prospects are starting to look as bright as they did before the 1997 crisis.

For the Malaysian worker, there is much to look forward to. Those who lost their jobs have been re-employed. Those who agreed to salary and perks freeze to help their employers face the crisis are seeing the freeze being lifted. Those who could not find jobs are now spoilt for choice.

The labour market outlook in the new millennium is favourable with more job opportunities and lots of trained workers are expected to flood the market to meet the industries' needs.

Human Resources Minister Datuk Dr Fong Chan Onn, who took over the ministry from Datuk Lim Ah Lek last month, said the close tripartite employer-union-government cooperation helped put the nation on its economic recovery path.

"Retrenchment has declined considerably and labour market has improved ... hope we can maintain good industrial relations and improve labour productivity," he said.

The number of job vacancies has increased markedly, reflecting the increased economic activities.

Latest statistics show that a total of 36,219 workers were retrenched between January and December 25 1999, compared with 83,865 workers laid off for the whole of 1998. Job vacancies reported to the Manpower Department amounted to 106,127 for the same period last year, compared with 74,610 job openings in 1998.

The outgoing Malaysian Employers Federation executive president Datuk Mohd Zain Majid believes that the outlook of labour market is reflected by the economic condition, which at the moment is on the uptrend.

He noted that the demand for workers should be expanding in a market characterised by more modern, technology-based industries and less import-substitution industries.

Trade unionists are also positive about the new year with improved labour market.

Malaysian Trades Union Congress president Zainal Rampak feels that things are definitely getting better, in line with the economic growth.

For him, the labour market will improve further in the year 2000 and workers now are quite choosy about jobs as they are anticipating better job offers in the new year.

The Budget 2000, which will be re-tabled in February, is a delight to the workers when the Government announced among others, a 1 per cent reduction in income tax and the abolishment of import duties for several consumer goods.

The new ruling on the estate conversion, which was passed by the Cabinet in June last year, guaranteed the estate workers who are made homeless from the land conversion, proper housing or appropriate compensation.

Estate owners who do not comply with the new ruling would not get approval from the state authorities to convert the estates into commercial developments.

The new polices, which cover all estates in the plantation sector including rubber, oil palm and cocoa, require the developer to give priority to the displaced workers to buy low-cost houses when the project is carried out on a converted estates.

Any estate which implements a crop conversion (such as from rubber to oil palm) that could make the workers unemployed, should provide the affected workers with alternative employment and housing facilities.

Estate workers can also expect better living condition and stable wages if MIC's proposals are implemented.

The party's report, entitled "Estate Workers Towards the New Millennium", had touched among others, a proposal for monthly salary for the estate workers.

MIC president Datuk Seri S. Samy Vellu said recently that the report will be submitted to the Cabinet in February.

Last year also saw the launching of the long-awaited guidelines on sexual harrasment, which some parties feel that it should be introduced as a regulation to give more bite to it.

The Code of Practice of Sexual Harasement at Workplace, which provides guidelines on the in-house preventive and redress mechanism on sexual harassment at work premises, is expected to boost productivity when the victims are willing to report such cases.

The dual-language booklet (Malay and English) also defines and outlines forms of sexual harassment, disciplinary rules and the role of the trade union. Companies are expected to adopt the Code into in-house rules or guidelines.

Since then, cases involving sexual harrasment at workplaces have increased significantly as employees, regardless of rankings, are more prepared to come forward to report them to the Labour Department.

The productivity is expected to be boosted further when the Government allows department heads in the public sector to hire part-time workers. This has been followed by the launching of Part-Time Work Regulations for the private sector.

The rules on the recruitment of part-time employees, including protecting their rights, are expected to encourage more people, especially the housewives and pensioners, to enter the labour market.

The Guidelines on Teleworking in Malaysia was introduced earlier to enable workers to work away from office premises or work from home using the information technology devices.

It is undisputable that the welfare of the workers has improved as the country progresses.

The Human Resources Ministry, which was formerly known as Labour Ministry, has undertaken a lot of efforts to ensure the workers' needs are met and improve their living standard.

One of the ministry's achievements is the Social Security Organisation (Socso), which has been actively expanding its security coverage for the workers in the private sector.

January last year saw Socso increasing its benefits between 6 per cent and 18 per cent without corresponding increase in the quantum of contribution by employers and employees.

More than 110,000 Socso recipients have benefited from such move.

Socso has also allocated RM30 million revolving fund for study loans to the children of Socso's monthly pension schemes recipients.

Another sweetener for Socso contributors in the year 2000 will be loan provision to buy low-cost houses, where the interest for such loans would be subsidised by Socso.

The agency is now looking into expanding its coverage for maternity and other sickness as well as extending the study loans for school-going

children of all the contributors.

Socso's fund has grown considerably over the years, from RM3.86 billion in 1994 to about RM6.67 billion as end of 1998.

The agency's investment returns has also risen despite the economic setback in 1997 and 1998. In 1998, it registered more than RM463.5 million returns against RM6.58 billion total investment, compared with RM347.5 million in 1997.

Socso director-general Datuk Wan Abdul Wahab Wan Abdullah attributed the growth to Socso's management and investment decisions which are conservative, prudent and transparent.

Socso is now also looking at increasing investment in the stock market now that the market has rebounded and also considering spreading its wings overseas for better returns for its contributors.

The ministry's another feat is in the area of training and retraining of the workers under the Human Resources Development Fund (HRDF) schemes and the production of skilled workers through its industrial training institutes (ITIs) and advanced technology training centres (Adtecs).

Between 1993 and end of 1999, Human Resources Development Council (HRDC), which administers the HRDF, has approved 2.34 million training places where some employees may have undergone training for more than once.

The RM5 million fund for the retraining of retrenched workers, established in 1998, is well-received where nearly 1,000 jobless have benefited from it. Armed with diplomas and certificates, they are now ready to re-join the labour market.

The council is now focussing its training for the small and medium industries to enhance the productivity of the workers in such industries.

Malaysia can be proud of its own-formulated workers training schemes as the HRDF has received recognition from international bodies, including the International Labour Organisation and the World Trade Organisation.

When additional ITIs and Adtecs (under the Seventh Malaysian Plan) are completed throughout the year 2000, the Government expects to produce 17,300 highly skill workers a year. Currently, the training institutes under the ministry's purview produce about 7,000 skilled workers a year.

Additional boost to the workers in the automotive industry is when Japanese giant carmakers, Toyota and Honda, agreed to establish their training facilities in the country.

Details of it are still under discussion but both companies have given their undertaking when Prime Minister Datuk Seri Dr Mahathir Mohamad invited both carmakers during his visit to Japan earlier in 1999.

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