

SUN 23 MAR 2001

Corporate layoffs up 30% last month

KUALA LUMPUR Corporate layoffs rose 30% in February as units of Motorola Inc Hitachi Ltd and other electronics companies trimmed staff in response to slowing demand for Malaysian exports

A total of 1 411 workers were laid off in February up from 1 086 in January said the Economic Planning Unit of the Prime Minister's Department

Malaysia's growth is slowing as exports of semiconductors and other components to the US the country's No 1 market falter The economy expanded by 6.5% in the fourth quarter its slowest pace in 1 1/2 years

Hitachi Metals Sdn which makes components for telecommunications equipment trimmed 200 jobs a company official said

Motorola Inc reduced its workforce by 172 people while other electronic companies cut 388 jobs

in Johor Bernama reported today

Barbie doll maker Mattel Malaysia will cut about 20 clerical jobs said Boey Cheng Kim human resources director Seagate Technology Inc No 1 disk drive maker said this month it would shutter a factory in Penang by year-end to cut costs It will offer redundancy packages to 4 000 workers the second to be closed in five months

Prime Minister Mahathir Mohamad said Tuesday that slowing US demand for Malaysia's exports may cause more job cuts and plant closures Although layoffs are on the rise so are job openings the Economic Planning Unit said

The number of vacancies rose to 10 307 in February an 18% increase from January Malaysia's unemployment rate stood at 3.1% in September down from 3.3% in June and 3.4% at the end of 1999 - Bloomberg