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Finding ways to stop MNCs laying off locals

KUALA LUMPUR, Tues. - Datuk Seri Dr Mahathir Mohamad said today the Government is looking into ways to stop multi-national companies affected by the United States economic slowdown from retrenching Malaysian workers instead of foreign ones.

The Prime Minister said until such ways were found, the Government would continue to advise industries against such moves.

He said this at a Press conference at Parliament House where he announced the Government's pre-emptive measures to counter the impact of US economic slowdown.

Dr Mahathir was asked to comment on the possibility of industries affected by the slowdown resorting to massive retrenchment.

"There will not be massive retrenchment, but certainly there will be retrenchment.

"However, the Government had decided that retrenchment should affect foreign workers first."

On the statement by the Malaysian Trades Union Congress yesterday that it had been getting feedback that many companies had started to lay off locals, he said:

"That (retrenching Malaysians) is the best method for them because they pay less to foreign workers and have to pay more to local workers."

"So to make as much money as possible, I suppose they would rather retrench Malaysians rather than foreign workers."

MTUC secretary-general G. Rajasekaran told the New Straits Times yesterday that the Human Resources Ministry should revive its Employment Exchange scheme.

The revival, he said, was crucial to determine the number of Malaysians laid off by factories affected by the US economic slowdown.

"There was a 30 per cent increase in locals being retrenched last month, compared to January. We expect the figure to rise over the next few months," Rajasekaran said.

The Employment Exchange was set up by the Ministry to register Malaysians who are unemployed or retrenched by industries.

Rajasekaran said it became inactive or defunct when there was full employment in the country.

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