

'PETRONAS CONTRACT WORKERS AFFECTED'

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PM downplays concerns about firm's plan to cut 5,000 jobs

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PRIME Minister Datuk Seri Anwar Ibrahim downplayed concerns over Petronas' plan to cut 5,000 jobs, noting that most affected were contract workers.

He said this after attending Friday prayers at Surau Al Ikhwan here.

On Thursday, Petronas said it would reduce its headcount by "upwards of 5,000" as it rightsizes its workforce amid an evolving and increasingly challenging operating environment.

All those affected will be informed by the end of the year, Petronas president and group chief executive officer Tengku Muhammad had said.

Petronas, which has about 52,000 employees globally, first announced in February this year that it was set to begin rightsizing its workforce by mid-2025.

For the Fortune 500 company to remain viable, it must be

"sharp and nimble" and operate in a cost-effective manner, he said.

"This is not a retrenchment. It is a workforce rightsizing. The rationale is to ensure the survival of Petronas in the coming decades.

"If we don't act now, Petronas may not exist by the time it turns 60."

Petronas was looking to trim its "enablers" — mainly those in administrative roles — whose ratio relative to the group's workforce now stands above the industry average. There are 15,000 to 16,000 enablers in Petronas.

Meanwhile, Anwar said he would speak with his Thai counterpart, Paetongtarn Shinawatra, to address the border dispute between Thailand and Cambodia.

He said he would issue a press statement later.

This follows reports that Thailand's military was prepared to launch a "high-level operation" in response to what it sees as violations of its sovereignty, after a long-standing border dispute flared up last week.

A Cambodian soldier was killed in a skirmish in the contested area between Cambodia's Preah Vihear province and Thailand's Ubon Ratchathani province. Cambodia's Defence Ministry claimed Thai forces opened fire first, a charge Thailand has denied.

Thai Defence Minister Phumtham Wechayachai said Cambodian troops had fired the initial shots.

The two countries have long been at odds over the land surrounding the 900-year-old Preah Vihear temple.

Tensions escalated between 2008 and 2011 when Cambodia registered the temple as a Unesco World Heritage Site.

The conflict led to several deadly clashes, claiming about 40 lives, including civilians.

In 2013, the International Court of Justice reaffirmed its 1962 ruling awarding part of the disputed land to Cambodia and instructed Thailand to withdraw its troops from the area.

Thailand, however, does not recognise the ICJ's jurisdiction and has urged Cambodia to engage in dialogue ahead of its plan to refer the matter again to the World Court.

Thailand has reiterated its commitment to resolving the issue peacefully, in accordance with international law and existing agreements.

Malaysia, which took over the Asean chairmanship from Laos this year under the theme "Inclusion and Sustainability", has pledged to foster a united and prosperous regional bloc.