

Press Release

## MEF Salary Surveys: Fewer receive increments despite higher quantum

PETALING JAYA: Fewer employers granted salary increases to their employees this year though the quantum of increases were slightly higher, revealed by the 2019 *MEF Salary Surveys for Executives and Non-Executives*.

MEF President Y.Bhg. Tan Sri Azman Shah Dato' Seri Haron, who launched the latest MEF publications here today, stated that 88.3% of respondents granted salary increase to executives compared to 92.4% in 2018, while it was 87.6% for non-executives (92.7% in 2018).

“However, the average salary increase for executives and non-executives in 2019 were higher at 5.15% and 4.96% respectively as compared to 4.88% for both in 2018. The overall average forecasted salary increase for executives in 2020 of 5% was slightly lower than the actual average salary increase of 5.15% in 2019, and 5.01% in 2020 (4.96% in 2018) for the non-executives,” said Tan Sri Azman.

“In terms of bonus, 78% of respondent companies granted bonus to all executives similar to in 2018. For the non-executives it's slightly lower at 76.8% compared to 78.7% in 2018. The executives' average forecasted bonus of 1.9 months for 2020 was similar to actual bonus in 2019 and it was slightly higher for the non-executives with 1.79 months compared to the 1.67 months of actual bonus in 2019”.

Tan Sri Azman said about 52% of the respondent companies implemented productivity / performance-linked wage system (PLWS) for their employees, of which more than 90% indicated that the main reasons for implementation were to reward good employees and improve productivity (more than 80%), followed by enhancing the company's competitiveness (72%), and to motivate the average performing employees (68%).

More than 87% of the respondent companies indicated that the implementation of PLWS increased the motivation and job satisfaction of their employees, enhanced career development (71%), and improved job specialization based on skill as well as provided a more flexible wage structure (more than 50%).

Both the Salary Surveys were participated by 252 companies from manufacturing and non-manufacturing sectors. The executives report covered 151 benchmarked positions of 18,782 executives, while the non-executives report covered 48,098 non executives with 109 benchmarked positions.

The MEF Salary Surveys also included a new section on internship wherein it was revealed that 88% of respondent companies were of the view that such programmes generated more employable graduates. 85.9% of companies indicated that they would recruit the interns who perform to expected standards.

On average, an intern undergoing certificate study was granted monthly allowance of RM528 followed by RM550 for diploma students, RM623 for degree and RM653 for Masters' degree.

Besides the Salary Surveys, Tan Sri Azman also launched the *MEF Man Days Lost & Absenteeism Survey 2019* and the *MEF Analysis of Collective Agreements & Awards on Terms and Conditions of Employment 2018*.

For further information or to purchase the publications, please contact the MEF Headquarters at 03-7955-7778 or fax 03-7955-9008, or email [mef\\_hq@mef.org.my](mailto:mef_hq@mef.org.my).

**27 NOVEMBER 2019**