

Highlight

MEF survey: More employers raise wages in 2021 vs 2020

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KUALA LUMPUR (Dec 7): More employers are granting salary increases to their employees in 2021 compared with 2020, indicating a positive business recovery in the country, according to Malaysian Employers Federation (MEF) Salary Survey for Executives and Non-Executives 2021.

Citing the 27th annual MEF Salary Surveys launched today, president Datuk Syed Hussain Syed Husman said 65.20% of respondent companies granted salary increases either to all or certain executive employees in 2021 versus 58.40% in 2020, while 66.40% granted salary increases to all or certain non-executives in 2021 against 61.70% in 2020.

“The average salary increase for executives in 2021 was 4.40%, for the non-executives, the average salary increase in 2021 was at 4.43%,” he said in a statement on Tuesday (Dec 7).

Syed Hussain said the survey also forecast that the average salary increase for executives in 2022 is at 4.37%, while for the non-executives, the average forecast salary increase for 2022 is at 4.17%.

“Approximately 60% of the companies determined salary increase based on the profitability or productivity level, while more than half of the companies determined the quantum of salary increase based on the market rate,” he said.

In terms of bonus, Syed Hussain said the survey indicated that 68.30% of the respondent companies granted bonuses to executives and non-executives in 2021, and forecast that the bonus for 2022 was 1.82 and 1.66 months for executives and non-executives respectively.

“A positive indicator was that the forecast bonus for 2022 was higher than the actual bonus in 2021 of 1.58 months and 1.44 months for executives and non-executives, respectively,” he added.

On the employment of fresh graduates, he said the MEF Salary Survey for Executives indicated that 58.20% of respondent companies recruited fresh graduates as executives in the past 12 months.

In terms of the type of jobs offered to newly-hired graduates, he said the survey showed 80.90% of the respondent companies offered skilled jobs, compared to 51.80% of companies that offered semi-skilled jobs, while 5% of the respondent companies placed newly-hired graduates in low-skilled jobs.

The MEF Salary Survey for Executives involved 212 companies from the manufacturing and non-manufacturing sectors, and covered 180 benchmarked positions of 23,448 executives, while 208 companies participated in the Survey for Non-Executives which covered 66,420 non-executives with 129 benchmarked positions.