

Employers survey: Salaries expected to rise next year

By [Samantha Kuan](#) - November 23, 2022 @ 7:16pm



President Syed Hussain Syed Husman said approximately 90 per cent of companies surveyed attributed employees' performance as the main criteria for determining executive and non-executive salary increases. -BERNAMA PIC

PETALING JAYA: Salaries for executives are expected to rise by 5.44 per cent and for non-executives by 5.43 per cent next year.

This was based on the findings of the Malaysian Employers Federation's (MEF) latest survey.

MEF president Syed Hussain Syed Husman said the survey also revealed that about 90 per cent of companies surveyed attributed employees' performance as the main criteria for determining executive and non-executive salary increases.

"The business respondents seemed to be positive that Malaysia's economy is generally going to be stable next year despite the expectation of a global recession.

"This was on the back of positive recovery of most businesses since the reopening of the economy after the (Covid-19) pandemic," he said after officiating the 28th edition of the MEF Salary Surveys for Executives and Non-Executives here today.

The survey also indicated that 93 per cent of employers granted salary increases to executive and non-executive employees in 2022, which was a significant increase from 65.2 per cent and 66.4 per cent, respectively, in 2021.

"The forecast for bonuses in 2023 is 2.18 and 2.06 months for executives and non-executives respectively, which was higher than that in 2022 of 2.06 months and 1.77 months."

The MEF president said the survey also covered the rollout of the Minimum Wages Order 2022, which increased the minimum wage to RM1,500 per month and impacted 70.3 per cent of the companies surveyed.

He said those companies not affected by the new minimum wage cited that the main reason was that their employees' salaries had already surpassed the minimum level.

Syed Hussain said 53.4 per cent of the respondent companies anticipated an increase in their overall salary or wage costs due to the minimum wage policy.

Among the measures adopted by companies, 59.7 per cent of the respondent companies reduced their operating expenses, followed by an increase in the price of their products or services (48.8 per cent), intend to implement cost-cutting measures in other areas of production (43.8 per cent), and intend to shift from labour-intensive to technology-intensive production (36.8 per cent).

On workers shortage, MEF executive director Datuk Shamsuddin Bardan said the situation must be addressed fast as Malaysia was competing with other countries to get foreign workers.

"Employers cannot fully depend on the government to resolve this problem.

"They must step up efforts to modernise their operations by adopting new technologies to attract local workers," he added.

The MEF Salary Survey for Executives saw 252 companies responding from the manufacturing and non-manufacturing sectors while 250 member companies participated in the Salary Survey for Non-Executives.

Apart from the salary surveys, the MEF also launched the MEF Fringe Benefits Survey 2022 and the Analysis of Collective Agreements and Awards on Terms and Conditions of Employment 2021.