

Budget 2023: Incentive will encourage employers to hire more TVET grads, says MEF

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KUALA LUMPUR: The incentive under the Social Security Organisation for 17,000 Technical and Vocational Education Training (TVET) graduates announced in the revised 2023 Budget will encourage more employers to hire them.

Malaysian Employers Federation (MEF) president Datuk Dr Syed Hussain Syed Husman said the RM600 incentive per month for three months, on top of their wages, would help protect employment of workers at the entry level.

"The growth of skills and talent under TVET will further support businesses with the required skilled workforce.

"With the support given to entrepreneurs and development of skills and talent, it will mutually benefit employees and businesses."

He said the government's initiative to implement a pilot model involving federal TVET institutions with a target of 50 companies, mainly from government-linked firms, would give confidence for employers in the private sector to follow suit.

Under the pilot programme, leading companies will partially or fully take over the operations of TVET institutions, such as community colleges, public skills training institutes and national youth skills institutes, to provide training, he said.

In addition, the initiative to upskill gig workers announced in the budget would ensure that these groups of workers would not be left behind, he said.

He added that automation through robotics would also encourage more employers to adopt digitalisation and the Fourth Industrial Revolution.

"The government's move to provide an RM50 million matching grant to promote the plantation automation sector through robotics and artificial intelligence will attract local talent to join the plantation industry and reduce reliance on foreign workers.

"A total of RM80 million allocation will also help improve sustainability of palm oil and to counter the Anti-Palm Oil Campaign," he added.