

Helping fresh grads is the next big job

Are we looking at the bigger employment picture? What's being done to help fresh graduates find jobs? JEEVA ARULAMPALAM hopes there will be measures in the mini-budget for them

PICTURE an additional 200,000 fresh graduates competing for a job against the 100,000 who will be retrenched by the end of the year.

This is a very real situation as most local graduates complete their studies by mid-year and enter the workforce.

Although the government is focusing on what needs to be done for retrenched workers, this equally worrying issue has not been addressed.

The employment market remains challenging for fresh graduates and it will be an employer's market for the next year or two.

There are more job seekers each year — both fresh graduates and those with work experience. Fresh graduates make up the larger portion and there is stiff competition among them, says Kelly Services (Malaysia) Sdn Bhd vice-president and country general manager Melissa Norman.

In the past, the solution to a shrinking job market was for graduates to further their studies. However, not many parents can afford it now (compared with the Asian financial crisis in 1997/98) due to the higher cost of living and higher fees in private universities.

They are also conserving cash in a slowdown dubbed the worst economic crisis since the Great Depression. Malaysia's gross domestic product grew only 0.1 per cent in the last quarter of last year.

The unemployment rate is expected to rise and could hit 4.5 per cent this year — up from the norm of two to 2.5 per cent — says the Malaysian Institute of Economic Research.

In the mini-budget to be tabled in Parliament on Tuesday, the government should include measures to help fresh graduates secure jobs.

China's premier Wen Jiabao recently said finding employment for the country's 6.11 million college graduates this year is a top priority. The government is encouraging them to work in rural areas and in smaller firms, and providing financial support for business start-ups.

To entice university students



200,000 fresh graduates would be seeking jobs by the end of the year. — File picture



Malaysian Employers Federation executive director Shamsuddin Bardan urges local councils to give licences to graduates to trade

to work in remote areas or serve in the army after graduation, they may be exempted from paying part of their tuition or schooling loans.

In addition, students with grassroots working experience will be given priority when they enrol for postgraduate studies and in the civil service.

The logic behind this is to reduce the concentration of graduates in the main cities looking for employment.

The Chinese government will also provide loans to small labour-intensive enterprises to hire college students registered as unemployed. It is stepping up efforts to help graduates start their own businesses, by reducing or waiving tax and administrative fees and providing better access to credit.

Graduates registered as unemployed can also apply for loans for business start-ups. We could easily adopt such initiatives. After all, the en-

trepreneur and cooperatives development minister did say in December that the government was considering giving unsecured loans to graduates who want to start small businesses.

"We should encourage entrepreneurship among graduates and this is where the local councils can help by issuing licences to those who would like to venture into trade," says Malaysian Employers Federation executive director Shamsuddin Bardan.

While our higher education minister says that graduates from public universities need not worry as 23,260 vacancies in the civil service and the private sector will be filled under the ministry's job-matching programmes, there are already 40,000 unemployed graduates registered with the Labour Department.

Malaysia has made some attempt to prepare itself for the inflow of new job seekers. The government has set up a RM70 million fund to retrain unemployed graduates, teaching them skills such as communication, English language and creative thinking.

But, Shamsuddin warns: "A problem we face here is that while we retrain our graduates, a lot of it is theoretical. The government has to re-look the packages in terms of the training that they are providing."

Colleges and universities can also contribute by helping graduates secure internships with companies or providing training for those who want to start their own businesses.

In Britain, university vice-

chancellors are creating internships to provide talent pools for local businesses. Parliament is discussing paid three-month internships for graduates with companies like Microsoft or Barclays, who have pledged their support.

This is all done in the hope

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Shamsuddin Bardan
Malaysian Employers Federation

that these fresh graduates will have gained some experience and skills, which could lead to full-time work.

Though many companies here have frozen recruitment now, there are some sectors that will have vacancies, such as healthcare, education, outsourcing, call centres, Islamic banking and finance, biotechnology, accounting and tourism, says Melissa.

Local colleges and universities can look to capitalise on job opportunities there.

These higher learning institutions can also step up to the plate and provide grants for their students who wish to further their studies.

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