

Time to reward

Bonus bonanza on the cards for 4mil private sector employees

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PETALING JAYA: More than four million private sector employees are in for good news after the tide turned for many companies affected by the hard knocks of the global recession two years ago.

A nationwide survey on employers' performance showed more companies are reporting

robust growth this year, and many bosses have indicated that they will give out performance bonuses to their employees over the next few weeks.

Malaysian Employers Federation (MEF) executive director Shamsuddin Bardan said 4.68 million employees – executives and non-executive staff – were expected to receive bonuses, while 4.4 million would benefit from salary increments.

The estimates, he added, were derived from MEF's survey on the 2010 performance of its 4,500 member companies and 18 affiliate trades' associations.

There are about 11 million private sector employees in the country.

The bonuses, ranging from one to two months, are expected to be given out around Christmas

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Share profits fairly, urges NUBE

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or as angpows before Chinese New Year.

Many companies, which froze pay increments since last year due to sluggish performance, are also planning salary adjustments for 2012.

For example, it is learnt that a leading US-based electronics firm will be sharing 45% of its half-yearly profits with its 2,300 employees.

Electronic firms which were the hardest hit during the global economic crisis in 2008, Shamsuddin said, performed best.

"When things did not move, there were lay-offs and retrenchments. Now that orders have increased, they are sharing their profits with their staff and hiring again," he told *The Star*.

The country's GDP recorded 9.5% expansion in the first half of 2010, compared with a dismal minus 5% during the same period last year.

Another star performer was the housing industry, Shamsuddin said, but the services sector that was last to be hit by the recession had yet to fully turn around.

Federation of Malaysian Manufacturers northern branch chairman

»Some manufacturers are even getting more orders now than during the pre-recession days«

DATUK O.K. LEE

Datuk O.K. Lee said production in the manufacturing sector was almost back to normal.

"Some manufacturers are even getting more orders now than during the pre-recession days as the weaker companies have collapsed," he said.

In Penang, home to many international electronics firms, Lee said performance began picking up in the second quarter of 2009 but had yet to



Shamsuddin: 'Electronic firms performed best'

reach the level of 2007.

"There is still some uncertainty over the European crisis," he said.

The National Union of Bank Employees, which represents 30,000 employees in 24 commercial banks, welcomed the news that performance bonuses would be given out.

Its general secretary J. Solomon hoped companies would share their profits fairly with employees of all categories.

"There have been many instances where financial institutions rewarded their top management with eight- to 15-month bonuses, while lower category employees only received their two months' contractual bonus and did not even get a single month performance bonus," he said.