

New year, new jobs

MEF confident with employment outlook for 2011

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PETALING JAYA: Employers are confident that the new year will bring with it better job prospects and opportunities.

Malaysian Employers Federation (MEF) executive director Shamsuddin Bardan said implementation of new projects and the Government's projection of a 6% to 7% gross domestic product for next year had helped bolster confidence in the private sector.

"Employers are quite confident that 2011 will be a better year.

"A lot of planning has been done this year and a number of projects planned by the Government will be implemented next year.

"We expect to see more activities next year.

Projects such as the MRT (Mass Rapid Transit) and other jobs will have a spin-off effect on the economy," he said yesterday.

On the unemployment rate, Shamsuddin said it was expected to drop from about 3.7% to between 3.4% and 3.5%, adding that it would be mostly structural or transitional.

"It will be more towards those searching for a new job," he said, adding that MEF did not foresee any major retrenchment issues for next year.

The job market currently has the capacity to absorb 450,000 new entrants a year, be it for school leavers, diploma or degree holders.

"Most will be employed and even among new graduates, 65% will be employed within the first six months of graduation," he added.

On the minimum wage, Shamsuddin reiter-

ated that the federation was not against the policy to have high-income earners, but said an increase in income should be based on performance and productivity.

"We want employees to have higher wages. Maybe we can have a model where 70% of wages are based on fixed income and the rest on individual performance and company productivity," he said, adding that MEF was still waiting for the National Wage Consultation Council to be set up.

The setting up of the council to determine the rate and mechanism of workers' minimum wage was announced in October as part of Budget 2011.

MEF had previously submitted a joint memorandum against a national minimum wage.