

Headline	Only higher wages can induce locals to do 3D jobs		
MediaTitle	The Malaysian Reserve		
Date	23 Jul 2020	Language	English
Circulation	12,000	Readership	36,000
Section	Corporate Malaysia	Page No	1,4
ArticleSize	595 cm ²	Journalist	HARIZAH KAMEL
PR Value	RM 12,585		



Only higher wages can induce locals to do 3D jobs

MTUC says effective changes must be made to labour policy to prompt employers into adopting high-productivity road to competitiveness

by **HARIZAH KAMEL**

EMPLOYERS may have no choice but to offer higher wages and better working conditions to induce more Malaysians to take over all the "dirty jobs" that have been vacated by foreign workers.

The Malaysian Trades Union Congress (MTUC) secretary general

J Solomon said effective changes must also be made to the country's labour policy to shake employers into adopting the high-productivity road to competitiveness.

He also proposed a monthly living wage of RM2,700 for workers in big cities to lure more Malaysians to take up jobs that are usually occupied by foreign workers.

"If workers are paid better, and if working conditions improve, there will be no problem in getting locals to do the jobs. Thousands of Malaysians work dirty, dangerous and difficult (3D) jobs every day overseas, from Singapore to

Australia and South Korea.

"The reality is that Malaysians do not take up such work here because of low wages, poor working conditions and labour policies," Solomon told *The Malaysian Reserve (TMR)*.

He said while the existence of foreign workers may benefit individual firms in the short term, they could impose high macro-economic costs to the country over the longer term.

A report by Bank Negara Malaysia in 2017 stated that Malaysia's dependence on low-skilled foreign workers adversely shaped its reputation as a labour-intensive and

low-cost destination to foreign investors.

Since the early 1970s and through the 1980s, the country's official policy stance was to permit foreign workers as an interim solution to meet the increasing demand for low-skilled labour. However, low-skilled foreign labour has instead become a prevalent feature of Malaysia's economy.

Solomon said many of the country's industries remain labour-intensive, unproductive and dangerous because of the availability of cheap migrant labour.

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This scenario has resulted in little incentive for employers to increase productivity through investing in new technology or workers' training or to reorganise production, which has postponed these industries' upward mobility to higher value-added supply chain and automation.

"These developments have suppressed upskilling efforts for Malaysians. Employers ought to provide decent wages, incentives and a safe working environment if they want more local workers.

"Also, employers must commit to continuous training of their employees."

Cheap migrant labour is a big stumbling block which has hindered the growth of the country's productivity and wages, and that reliance on a low-cost model is not sustainable.

"The Human Resources Ministry (MoHR) should engage employers to offer better wages and benefits to local workers. When that is in place, both parties should then collaborate to provide the necessary training and upskilling for workers to take on jobs, especially skilled positions.

"We have no objections if MoHR offers incentives including tax cuts to encourage and train locals to take up 3D jobs," Solomon said.

The Malaysian Employers Federation ED Datuk Shamsuddin Bardan, however, said the issue with locals has more to do with attitude instead of the required skills for the job.

He said it is important for local workers who are taking up 3D jobs to be given the right motivation and the necessary attitude.

"On the part of employers, the government and trade union, we need to look at the current job positions that we have, especially the so-called 3D jobs, so that at the end of the day, we should not have any jobs classified as 3D.

"All jobs are clean and equally important. It is fundamental for us to rebrand the current jobs into something more interesting and palatable to the locals and significant to the society at large," he told TMR.

Commenting on the effectiveness of rebranding, Shamsuddin pointed out that not many people were interested in taking up the culinary profession of being a cook before.

"Last time, when we called them cooks, people were not interested in taking up the profession, but once the worldwide phenomenon of calling them chefs went into full swing, many youngsters wanted to become chefs. If you talk about the pay between a chef and a cook, it is about the same," he added.

Recently, Top Glove Corp Bhd announced plans to build two factories every year to keep pace with the global demand for rubber gloves amid increased usage in the medical industry.

The world's largest glove manufacturer overtook Tenaga Nasional Bhd yesterday to emerge as the third-biggest company on Bursa Malaysia as market capitalisation increased to RM64.73 billion as of the close of trading, with its counter hitting its all-time high of RM24.50.

The glove giant said its current workforce is not sufficient due to a shortage of workers and has asked the government to allow

foreign workers back into the country.

However, Solomon said Top Glove must not continue to employ more migrant workers merely because it has plans to increase production.

"Employing migrant workers, merely because they are prepared to accept low wages and poor working conditions, does not make it legally and ethically acceptable.

"The company cannot continue to profit from the miseries of workers, both local and migrant. The previous erroneous poverty line index and low wage served to keep Top Glove and many other companies highly profitable, and in doing so have immorally denied workers fair wages."

He argued that employers not only have a moral obligation to plough a fair share of the profits back to the nation so that locals will benefit from the living wage of RM2,700, but must commit to higher levels of automation, and reskilling and upskilling for Malaysian workers.

Solomon added that MTUC fears such a labour shortage will also hit the construction, plantation, manufacturing and services sectors as local workers keep staying away from low-paying jobs.

Meanwhile, Shamsuddin said Top Glove's situation is not that easy as they will have to quickly hire locals to replace job positions normally taken up by foreign workers.

"But if we fine-tune our people's mindsets to accept those jobs and if the jobs can be more productive and paid higher, I see no reason in the long term that we must continuously depend on foreign workers."