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BUDGET PRIORITY IS CREATING AND SAVING JOBS

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“I have also instructed the Human Resources Development Fund (HRDF), which will receive RM100 million, to focus on conducting more IR4.0 training.”

DATUK SERI M. SARAVANAN
Human Resources Minister

ENABLING a system that helps increase the people's disposable income is the priority of the Human Resources Ministry following the tabling of the 2021 Budget.

Its minister Datuk Seri M. Saravanan said the aim was not only to retain employment and safeguard the welfare of vulnerable groups, but help businesses to remain resilient amid the Covid-19 pandemic.

The budget also reflected the commitment of the Perikatan Nasional government to strengthen the country's economy through empowering human capital and labour market activities.

“For 2021, the ministry has been allocated RM1.288 billion to fund its annual expenses and RM4.134 billion to carry out several initiatives such as conducting social protection, skills training and hiring incentives programmes,” he said.

Of the total set aside for the ministry, Saravanan said RM3.674 billion would be distributed to the Social Security Organisation (Socso) to implement several initiatives including the Wage Subsidy Programme, which has been extended for another three months with a targeted approach.

The Wage Subsidy Programme introduced in April, said Saravanan, had prevented 2.72 million workers from being retrenched and 300,000 companies from winding up.

“This is proof that the programme has been helpful in staving off unemployment.

“Therefore, in the 2021 Budget, the allocation for this programme has been increased to RM1.5 billion to help more companies and the country's workforce.”

Saravanan said generating new employment opportunities was also a priority for his ministry.

“The government has set aside RM2 billion to implement the hiring incentive programme or PenjanaKerjaya, which will encourage companies to hire local talent with financial assistance from Socso.

“The programme will also benefit graduates from the public and private universities,” he said, adding that its database showed almost 300,000 students graduated annually.

For 2021, he said, RM300 million has been set aside for the Skills Development Fund Corporation, the driver for Technical Education and Vocational Training (TVET).

“I have also instructed the Human Resources Development Fund (HRDF), which will receive RM100 million, to focus on conducting more IR4.0 training.”

He said these initiatives would be supported by a roadmap on IR4.0 and TVET programmes that

would be unveiled soon.

Saravanan said the ministry would also enter into a Memorandum of Understanding (MoU) with other ministries to help retrenched employees of airline companies.

Apart from reskilling, Saravanan also proposed for the affected airline staff to be provided financial assistance in the form of start-up capital to explore other ventures.

“For example, after completing their training, they could be provided with a start-up kit (financing) from the National Entrepreneurial Group Economic Fund (Tekun) or other government agencies.”

He was referring to the RM50 million in allocation proposed under the 2021 Budget to provide training and placements for 8,000

employees of airline companies affected by job losses.

Saravanan said the ministry would continue to cut down the unemployment rate with the initiatives and programmes proposed under the 2021 Budget.

As at September this year, he said the country's unemployment rate stood at 4.7 per cent.

“The third wave of the pandemic may affect our initial target of reducing the unemployment rate to 4.5 per cent by the end of the year. We will wait for the latest figures from the Department of Statistics.

“Having said that, the ministry will closely monitor the programme planned to further reduce the unemployment rate in the country.”

‘Employees who did not receive wages should report to Socso’

KUALA LUMPUR: The Social Security Organisation (Socso) has a mechanism to detect and take action against irresponsible parties found abusing the Wage Subsidy Programme, which has been extended for three months with a more targeted approach under the 2021 Budget.

Its chief executive officer Datuk Seri Dr Mohammed Azman Aziz Mohammed said the mechanism allowed employees who did not receive their salaries to lodge a report with Socso against employers who had benefited from the programme.

To date, Azman said Socso had received 385 complaints of employers allegedly abusing the Wage Subsidy Programme that was introduced to cushion the economic impact brought about by the Covid-19 pandemic.

“Socso has also established a system where employers are required to go through artificial intelligence to obtain the contribution under the programme.

“This will enable Socso to monitor if the contribution is received by the employees.

“At the same time, Socso is also working closely with the Malaysian Anti-Corruption Commission (MACC) and police to weed out those abusing the programme.”

Azman said Socso has already taken the necessary action against parties found for abusing the Wage Subsidy Programme.

“Some of them have voluntarily come forward to return the assistance.

“Having said that, based on our database, cases involving such parties are not many,” he said, adding that Socso would continue to closely monitor the distribution of assistance.

Human Resources Minister Datuk Seri M. Saravanan reiterated that the ministry would take action, including blacklisting such companies and employers.

“At the same time, the ministry will continue creating awareness among employees to check with Socso if their respective companies have received the assistance on their behalf,” he said.

Introduced through the economic stimulus packages, the Wage Subsidy Programme was rolled out to lessen the burden of employers and employees affected by the implementation of the Movement Control Order (MCO). The programme is open to companies registered with Socso.

As at Oct 31, the government has channelled RM12.5 billion to fund the programme that has helped 2.7 million workers and more than 330,000 employers.

The programme was extended under the 2021 Budget with a targeted approach, specifically for the tourism sector. **Report by Adib Povera**

GENERATING & RETAINING JOBS

JanaKerja	SCHEME	PenjanaKerja (under Socso)
RM3.7B	ALLOCATION	RM2B
500,000	JOBS	250,000

PENJANAKERJAYA HIRING INCENTIVE FOR 6 MONTHS

CATEGORY	INCENTIVE
EMPLOYEES earning over RM1,500	Increased to 40% of monthly income (maximum RM4,000 per month)
EMPLOYER	Increased to 60% Maximum training claim increased to RM7,000



SPECIAL INCENTIVE OF 60% OF MONTHLY WAGES



A wage top-up for the local worker replacing a foreign worker