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Lifeline of being employed

Sunday Star, Malaysia

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'As we have been surpassing our monthly projections, we are on track to meet our target of providing 500,000 job opportunities by December.'

By TENGKU ZAFRUL TENGKU ABDUL AZIZ

JOBS are the lifeline of any economy, helping families put food on the table, generate income and create other job opportunities for our rakyat.

Jobs also give a sense of pride and purpose to the lives of millions of Malaysians who contribute to the nation's growth.

When Covid-19 hit our shores in March 2020, jobs became the inevitable collateral damage alongside the ruin that the coronavirus has inflicted on Malaysia's public health.

Necessary travel restrictions and lockdowns curbed the spread of the pandemic but shuttered many businesses, especially those in retail and tourism, making it a struggle for millions of rakyat to make ends meet.

Throughout my nationwide travels to gather feedback since I became Finance Minister, jobs have consistently ranked top in our rakyat's list of concerns.

And while direct aid such as Bantuan Prihatin Rakyat has been a key feature of our pandemic and lockdown response, with debts piling up, the common wish by most Malaysians I met is to get back to work.

This is why the Finance Ministry (MOF) has made job retention and creation a top priority to mitigate the economic fallout from Covid-19. We proposed the establishment of the National Employment Council

(NEC) in December 2020, chaired by the Prime Minister.

Supporting the NEC are several special task forces managed by the relevant ministries to monitor the execution of various job creation initiatives. MOF's National Economic Stimulus Implementation and Strategic Coordination Agency (Laksana) is the secretariat for the NEC.

I am pleased to share that as at Oct 31, 462,051 new job opportunities had been created through 27 initiatives. We have consistently surpassed our aggregated monthly projections, which means we are on track to achieving our target of providing 500,000 job opportunities by December.

In ensuring that graduates are able to get some form of employment, the MOF through Budget 2021 allocated RM2bil for the Penjana Kerjaya 2.0 scheme, providing hiring incentives of up to 60% of new employees' salaries for six months, and rewarding employers who upskill their employees. This has benefited 211,141 workers, exceeding our annual target of 200,000.

Similarly, the Short-term Employment Programme or MySTEP provides invaluable working experience to graduates and job seekers for a period of up to 12 months in the public sector and government-linked companies (GLCs). Thus far, MySTEP has successfully provided 55,833 jobs – 39,153 in the public sector and 16,680 in GLCs – exceeding this year's target of 50,000 by almost 6,000 placements.

I believe we have turned the corner as far as jobs are concerned. Unemployment was at 4.5% in September this year compared to 5.3% in May 2020, and this downward trend is expected to continue.

And compared to a contraction of 6.4% for the first nine months of 2020, our nine-month GDP (gross domestic product) for 2021 grew by 3%, which means we are on track to achieving the projected 3% to 4% growth for 2021.

The reopening of economic and social sectors means more jobs will be available, God willing.

But the battle is far from over. Apart from banking on a strong economic rebound after a lengthy pandemic-induced slump, we have raised the bar higher by allocating RM4.8bil to create 600,000 jobs through the JaminKerja programme in 2022. This includes upping the game for MySTEP, with a target to place 80,000 workers, 60% higher than our 2021 target.

We will also enhance our efforts through JaminKerja's RM2bil hiring incentive programme, to benefit 300,000 job seekers.

I must also question why many demonise our measures in isolation to justify their dissatisfaction over bumiputra-skewed policies. I would like to politely point out that a sizeable percentage of our RM20bil Wage Subsidy Programme and 80% of the RM10bil Special Relief Facility have benefited non-bumiputra companies. So why scrutinise specific Budget measures in isolation to suit some (political) narrative?

The availability of jobs aside, the government is also acutely aware of structural issues in our employment sector, like skills mismatch, youth unemployment and under-employment.

As a first step to resolving the job mismatch issue, the NEC has realigned training programmes to industry demands, setting a KPI (key performance indicator) of at least 80% employment for trainees under government-funded programmes. We are proud to say that this target has been met.

We also need to start looking at entrepreneurship as a job creator. The logic is simple: a person without a degree may not secure a good salary in a traditional job, but he could earn a decent income while building wealth if he starts a food or clothing business.

Entrepreneurship not only eliminates educational barriers but is also a perfect example for the hadith that says 90% of rezeki (good fortune) is derived through entrepreneurship.

This is due, in part, to the fact that entrepreneurship also benefits communities. A flourishing enterprise creates local jobs, circulates money in the community and often draws money from other communities.

Truth be told, MOF's measures for sectors such as tourism, agro-industry and the creative industries are premised on nurturing entrepreneurship. It is also a fact that 70% of jobs in this country are created by MSMEs (micro, small and



medium enterprises). And Budget 2022 measures support entrepreneurship, not only through SME financing, but also through measures incentivising the adoption of digitisation and technology.

Another job creator is Technical and Vocational Education and Training (TVET), which we feel is so important that we have allocated RM6.6bil for its development in 2022. More than ever, there is greater focus on TVET to future-proof the Malaysian workforce with the right technical skills, particularly for those who are less academically inclined but good with their hands. I am happy to share that both TVET and entrepreneurship are under specific NEC's task forces.

As the outlook brightens for a strong economic recovery for Malaysia in 2022, more jobs can be created. For MOF, lives and livelihoods are equally important, and the paramount task at hand through Budget 2022 is to create livelihoods to honour lives.

> Tengku Datuk Seri Zafrul Tengku Abdul Aziz is Malaysia's Finance Minister. The views expressed here are the writer's own.



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SUMMARIES

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