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RM7,000 as legal costs to the

made by way of judicial

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Offer incentives to hire locals – FSM

By Chok Sim Yee

KOTA KINABALU: The government should consider giving incentives to encourage employers to hire local workers, and not by increasing levy on foreign workers, said Federation of Sabah Manufacturers (FSM).

He suggested the incentives could be in the form of tax rebate.

Its president Datuk Seri Panglima Wong Khen Thau said there was also a need to standardize the levy across all sectors, as the proposed levy was too complicated.

He said our country would always need foreign workers to do jobs that were shunned by locals.

“Even if it is more expensive, we would still have to use foreign workers, so why make it difficult?” he asked.

Wong said he had always been advocating for a reduction in the levy, as raising it would add more to production costs.

If the levy is raised, he said, it would encourage more people to hire illegal workers.

Wong revealed that there were around half a million legal foreign workers in Sabah, and around 300,000 illegal workers here.



Wong

Levy for the manufacturing sector is said to be around RM960, while that of the plantation sector is around RM400.

He stressed that the levy should be reasonable, as the country could only lower the number of foreign workers but not wipe them out entirely.

“Even in China, there are some jobs that the locals will not do. As the society becomes more affluent, the people do not want to do dirty jobs. It’s the same in the United States and United Kingdom.”

Meanwhile, Kota Kinabalu Chinese Chamber of Commerce and Industry (KKCCCI) president Datuk

Seri Panglima Sari Nuar said the increase in levy would cause a huge impact on Sabah, particularly in the agriculture sector.

“It is now more difficult for smallholders to employ manpower and we hope the government can understand the issue,” he said.

He said more foreign workers are being attracted to work in the growing oil palm plantations in Kalimantan, resulting in a shortage of workers here.

Some of these plantations are owned by Sabahans and offer about the same wages there as in Sabah, Sari said.

“Given the choice, more workers would opt to work nearer to their homes instead of going far away,” he said.

Sari said the government could train locals to work in those sectors, but many locals prefer white-collar jobs.

He said KKCCCI would hold a general meeting on June 20 to discuss issues affecting various sectors, including education, agriculture, economy, labour, property with specific focus on the 10th Malaysia Plan.

A 200-page proposal made during the meeting would then be presented to the state government, he said.