

**APEC Human Resource Development Working Group
Network on Economic Development Management**

**Conference on
Linkages Between Paid and Unpaid Work in Human Resource Policy
Hong Kong, China, May 8, 1999**

Malaysia

By

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Introduction

Malaysia entered a new and even more painful economic crisis in mid-1997 as compared with the economic downturn of the 1980s. Beginning as a financial crisis marked by rapid declines in currencies and stock market levels, the worst hit sectors have been construction and manufacturing. The economic slowdown is expected to affect adversely the demand for labour and investment in human resource development. An initial assessment of the immediate impact of the economic downturn on the labour market has been a marked increase in the retrenchment of workers. Slower GDP growth is expected to result in a significant decline in employment growth and loss of jobs. Employment levels are expected to fall in all economic sectors except for the export-oriented industries. The wholesale and retail, hotels and restaurants sectors are experiencing an employment growth rate below 1 percent. Overall, employment growth is not expected to improve substantially during the period 1999-2000 (Seventh Malaysia Plan, 1996).

In general, this economic crisis has had social impacts, particularly on women. Among the most serious are:

- (1) a rise in female unemployment, leading to the feminization of unemployment.
- (2) more women turning to the unpaid labour force (informal sector and petty trading), as the formal sector becomes increasingly unable to absorb them.

1. The Impact of the Crisis on Paid and Unpaid Work

The policy implications of unpaid work are very difficult to measure in Malaysia as statistics on unpaid work are not compiled at the national level. However, generally it can be concluded that most women in paid employment who lose their jobs will switch to work in the informal sector and be involved in activities such as hawking, petty-trading and operating foodstalls.¹

The impact of the crisis on paid work can be observed from Table 1. As presented in the table, the sectors that have been most affected by the current crisis in terms of losses in employment include manufacturing, wholesale and retail, construction, financial services, insurance and trade. The manufacturing sector has been the most affected in terms of retrenchment. The total number of persons retrenched within the 18 months beginning in January 1997 to June 1998 was 41,790, as reported to the Ministry of Human Resources.² This constitutes only 0.5 percent of Malaysia's labour force of 9 million (Table 2). Given the unemployment rate of 2.6 percent, this marginal increase indicates that Malaysia is still experiencing full employment and operating under tight labour market conditions. However, unemployment may increase to 6.4 percent within the year (NERP, 1998).

Data on the gender breakdown by sector reveals that more men than women were retrenched during the same period (Table 2). Both men and women in the manufacturing sector seemed to be the most affected, as well as in the wholesale and retail, financial services, insurance and trade sectors. The majority of those retrenched in other areas such as construction, transport, storage, communications, and social services were mainly males.

The occupational group that recorded the largest number of persons retrenched is professional, technical and related work (Table 3). The number of skilled workers retrenched is significantly larger than semi-skilled workers. It has been noted that more men than women have been retrenched. Another occupational group that is severely affected is services. The majority of employment in these occupations is concentrated in personal services such as hotels, cosmetics industry, and protective services. Whereas there were massive retrenchments in the private sector, particularly in the manufacturing sector; the government will not retrench in services. Instead, the government cut back on employment in lower groups. Most of those in the lower groups are women and they are less likely to be hired as compared to their male colleagues.

Women's participation in the labour force is confined to industries with low technology, low capital requirements, and industries that, in spite of high capital requirement and sophisticated technologies, are highly labour-intensive. The common factors for women workers in these two types of industries in

Malaysia and almost in every country in the world are relatively low wages and poor working conditions. It is not surprising when evidence shows that women are the last to be hired and the first group to be affected by economic recession. In line with the retrenchment trend (Table 2), human resource development and skill training should be further enhanced in order to upgrade the workforce in various sub-sectors in manufacturing, especially in skills related to information technology, computers, automation, and computer-integrated manufacturing.

Manufacturing firms should be encouraged to take advantage of the slowdown in production to train their staff in-house. In the meantime, school leavers and retrenched workers unable to find jobs can also be given training in public and private institutions so that they may be better equipped and prepared for employment opportunities during the economic recovery process.

The predominance of males in these occupational groups should be linked to their labour force participation rate (LFPR). The wide disparity between the LFPR of men and women has remained and by 1996 it was 86.6 percent and 47.2 percent, respectively (Ministry of Human Resources, 1997).

The lower rate of women's participation in the labour force has been linked to various factors such as their lower level of education and skills; the lack of employment opportunities; availability of affordable quality childcare services and flexible working conditions. It is significant to note that 76.6 percent of women identified housework as their reason for not seeking employment in 1996. The Malaysian report for the Asian Development Bank project, "Education of Women in Asia, 1994," indicated that 80 percent of Malaysian women interviewed identified family responsibilities as a major factor limiting their access to education and training; 68 percent indicated parents' attitude; 60 percent the husband's attitude. In rural areas, women cited lack of facilities and distance to facilities. Housework is considered a constraint to formal employment by only 4.3 percent of men (Labour Force Surveys 1995, Department of Statistics). The AsDB report suggested, based on the above, that the following information was needed: what percentage of women want to interrupt or postpone careers for family reasons; what percentage of those want to re-enter active employment; what is the average duration of layoffs due to family reasons? Should maternity leave be extended, with or without pay? What kinds of changes need to be made in the work environment and in family life to accommodate women in the workforce (Education of Women in Asia, Asian Development Bank/Agrodev Canada Inc, 1994, pp 137-167).

It cannot be disputed that the occupational structure in both developed and developing economies reflects various elements of inequality defined by educational attainment, rewards and social standing. These occupational structures are also gendered. In light of this characteristic, the issue of safety nets must be given careful consideration in order to ensure that workers are protected in times of crisis. In principal, workers in Malaysia are protected by various pieces of labour legislation. Despite increasing pressures to provide compensation and alternative employment, a "welfare" or "social security" system has yet to be established. The current crisis emphasizes the need to address such matters. This issue is of great significance since the majority of men and women in Malaysia are employed at the bottom of the occupational ladder where incomes are correspondingly low. Working conditions vary according to sector and occupational group.

In Malaysia the National Council of Women's Organisations (NCWO) launched 'The Women's Watch' on March 8, 1998 to protect and enhance the rights of women and to work toward the achievement of equality, development, and peace. Women's Watch can be considered as a gender-sensitive social safety net mechanism.³ The Women's Watch will set up an appropriate mechanism/methodology for data and information collection, and disseminate its findings to all media organizations, and to relevant national, regional, and international agencies.

The suggested safety net for Malaysia stated below can be channelled to the Women's Watch for further implementation. It includes:

- (a) public works and other employment programs;
- (b) credit-based self-employment programs; and
- (c) community-based arrangements that help mitigate against deprivation and temporary income shortfalls.

1.1 Labour Legislation and Other Supportive Measures for Working Women

In general, Malaysian women enjoy equal rights under most legislation affecting employment, including some legislation with special protective provisions for women in the workplace. Yet, some legislation remains outmoded and discriminates against women.

The public sector adopted the principle of “equal pay for equal work” in 1969 but this principle does not apply to employees in the private sector. Men’s wages are nearly twice as high as women’s wages.⁴ The law differentiates between the rights of a widow and those of a widower of an employee who dies during employment. The widow receives all benefits due, the widower will only receive if he is incapacitated, either mentally or physically, at the time of his wife’s death (Pension Act 1970, Employees Social Security Act, 1969).⁵

The Employment Act of 1955 applies equally to both men and women, but confers special rights and protection for women based upon physical differences and their maternal functions. The Act includes provisions that prohibit women from working underground or on night shifts, without permission from the authorities. Female workers are also entitled to 60 consecutive days with pay for up to five surviving children. As of May 1998, employees in the public sector, who were previously entitled to only 40 days, are to receive 60 days. In addition, women may opt for early retirement upon reaching 50, even though the mandatory retirement age is 55 for both males and females. The Employment Act was recently amended to permit women, especially housewives, to be gainfully employed in part-time employment, while allowing them the flexibility to meet their family obligations. The amendments ensure the payment of statutory benefits to part-time employees proportionate to those full-time employees in order to entice them to enter the labour market.

Women are also entitled to opt for a separate income assessment. The Income Tax Act, 1967, was amended in 1978 to allow a married women employee to elect for separate income tax assessment. Prior to this, it was mandatory for a wife’s income to be aggregated with her husband’s. As women are given the choice to have their income tax assessed separately, there is a strong indication that the government has recognized the gender equality aspect of women’s contribution and justified the importance of women’s contribution in the workforce.

Fiscal incentives are provided to establishments to set up childcare centres to encourage more women with children to enter the labour market. Evidence of the full utilization of these incentives is still questionable. Childcare providers are from public as well as from private organizations. Publicly, the Ministry of Rural Development through KEMAS (social development division) carries out childcare services. The role of the Ministry is to train the teachers and provide the syllabus. Hindering the success of the public centres are problems in management, monitoring and implementation. The other providers of the childcare centres are from private agencies like PETRONAS, RISDA and others. Apart from various management problems, these agencies also face the problem of few qualified trained human resources.

2. “Paid” and “Unpaid Work”

2.1 Definitions

"Employed", as used in the Labour Force Survey, includes all persons who at any time during the reference week did any work for pay, profit, or family gains (as an employer, employee, own-account worker, or unpaid family worker). Persons who did not work during a vacation, labour dispute, or due to social or religious reasons are considered employed if they have a job, farm, enterprise, or family enterprise to return to. Those temporarily laid-off with pay and who would definitely be called back to work are also included as employed. The term “unemployed” includes both active and inactive unemployed persons. Actively unemployed includes all persons who do not work during the reference week but are actively looking for work during this period. Inactive unemployed includes persons who are not looking for work because they believe no work is available, or if available they are not qualified; those who would have looked for work if they had not been temporarily ill or had it not been for bad weather; those who are waiting for answers to job applications; and those who looked for work prior to

the reference week. All persons not classified as employed or unemployed, such as housewives, students, retired or disabled persons, and/or who are not interested in looking for a job, are considered to be “outside the labour force”.

Employment status can be categorized as employees, employers, own account workers, and unpaid family workers. A high percentage of employees and a small percentage of unpaid family workers characterize the labour force in advanced countries. In developing countries, it is common to encounter a high percentage of own account workers and unpaid family workers, especially among women. As shown in Table 4, there is a very obvious shift within the female labour force from being an unpaid family worker to an employee. During 1980-95, the percentage of employees of the total female labour force increased from 64.5 percent to 77.1 percent. On the other hand, the percentage of unpaid family workers declined from 18.5 percent in 1980 to 9.5 percent in 1995. The processes of urbanization and industrialization have shifted an increasing proportion of the female labour force from unpaid family workers to employees. However, when the crisis arises, the unpaid category increases again.⁶

When a gender comparison is done, as shown in Table 5, it is evident that males dominate the employer status. Similarly, the percentage of males who are classified as employees and own account workers is higher than that for females. Conversely, females maintain a higher percentage than males in the unpaid family worker category. Unpaid family workers are more prevalent in rural areas than urban areas. For example, in 1995, about 64.9 percent of unpaid family workers were located in rural areas, while 35.1 percent were located in urban areas (Malaysia, 1995).

2.2 Structure of Paid Work and Unpaid Work

2.2.1 Paid Work

Significant differences in the pattern of male and female employment in Malaysia still exist today. Despite changes in the past two decades, the gendered employment structure has undoubtedly been reproduced. A look at the distribution of employment by industry and sex shows that women are largely employed in manufacturing, services, wholesale retail, and agriculture. Table 6 shows that agriculture absorbed about 68 percent of the female workforce in 1970, but by 1996 it fell drastically to 17 percent. A tremendous increase is observed in the employment of women in the manufacturing, service, and commerce sectors between 1970 and 1996. The greatest disparity between male and female employment is still in the mining, construction, transport, and communications sectors. Large differentials in terms of male and female employment patterns are maintained within all the other sectors, except social, personal household, and related community services which employ more women than men. The gap is narrowing significantly only in the manufacturing sector (Seventh Malaysia Plan, 1996-2000). Once again it can be concluded that gender patterns in employment have not changed significantly since the post-independence period. Where significant female entry is observed, women have remained confined to traditional segments (Table 6).

The distribution of the workforce by sex and occupation in 1995 (Table 7) shows that women are still underrepresented in administrative, managerial, and higher professional occupations. Only half of those employed in administrative and managerial occupations are women. Three main occupational groups appear to employ more women than men. Clerical and related occupations employed more than twice the proportion of males and the professional and technical group employed 14 percent females and 8 percent males. The proportion of male and female sales workers was equal at 11 percent (Seventh Malaysia Plan, 1996-2000). Therefore, there is no clear break from earlier trends. Women continue to be concentrated in clerical employment. While there has been an increase in their participation in the professional and technical groups, they are most likely to be located in the lower professional groups, as based on the class framework discussed earlier.

2.2.2 Unpaid Work

The “housewives” category, which is not surprisingly 90 percent female, is considered to be outside the labour force in the census classification. This is a reflection of the value or the lack of value accorded to women's work in the economy and implies that the increase in women's participation in the workforce has yet to be accompanied by a reduction in their domestic responsibility. Survey data indicates that

women's decision to enter paid employment will continue to be influenced by their domestic and childcare responsibilities, and the availability of reliable and affordable quality childcare services. Under such circumstances, the options available to women appear to be limited. Henceforth, the relationship between the domestic or private sphere of reproduction and the public sphere of production will need to be transformed if the occupational mobility and class mobility of women is to be ensured.

2.2.3. Agricultural Sector and Informal Sector

Although employment in the agriculture sector is declining, accounting for about 15 percent of total employment, the sector has been experiencing labour shortages. In terms of ethnic concentration, Malays are largely represented in the agricultural sector. In 1990 and 1995, 69.1 percent and 63.1 percent of the agricultural workers were Malays (Labour Force Surveys 1990, 1995).

The term “informal sector” is difficult to define and monitor since some of its characteristics are nebulous and unlicensed. Malaysia’s informal sector has been growing since the mid-1970s, following the introduction of the New Economic Policy 1971-1975. Although Chinese men are dominant in this sector, foreign nationals and others have joined it as well. During both good and bad times, budding entrepreneurs have been attracted to the informal sector due to its easy access and low capital requirements. The increase in urban population has also encouraged the expansion of this sector as it caters to the lower income urban populace. Undoubtedly, this sector helps to sustain a lower cost of living for lower and middle income groups. Given this realization, local authorities have tried to develop and manage this sector by providing proper trading facilities. The Ministry of Housing and Local Authority (the ministry responsible for this sector) estimated that in 1991 there were more than 400,000 jobs generated by this sector in major cities in Malaysia, (The Star, 28/6/90).

Women are late entrants into this sector as monitored by the local authorities. However, only Kuala Lumpur has a gender disaggregated database. There is no gender policy to guide the authorities in the issuance of licenses. For example, in the case of food products, it is more or less a case of suitability of the applicant in terms of type of vendor, location, and health status. Casual observations reveal that women work more with food items, which is probably an extension of their domestic skills. Women operate either in licensed food courts or in a stall or van at strategic locations, sometimes near their homes within the squatter areas. Most of them are full-time vendors, either static or mobile according to the night market schedule arranged by the local authorities.

It should also be noted that the issuance of licenses is not necessarily an indicator of the level of women’s involvement in this sector. Women could be involved as family helpers, as the wife or daughter to the licensee. In the absence of extensive research and monitoring, it is difficult to ascertain the actual involvement of women in this sector and in unlicensed sub-sectors such as tailoring, subcontracting of various products, food hawking, childcare, and domestic help.

During the economic crisis there has been a sharp decline in the subcontracting sector which employs women working from their homes to do various activities such as cutting and sewing clothing items. The textile and garment industry is one of the trades that has been hit hard. Most of these women work to supplement their husband’s income, although some of them can earn up to RM1500 in a good month. Although there is a decline in family income, families can still survive with some adjustments to their lifestyles. Most women claim that their income goes towards personal needs and their children’s tuition. Without their own source of income, they now have to rely totally on their husband for cash.

2.2.4 Poor Households and Single Parents

The majority of Malaysian women contributed their labour to the care of siblings and housework before joining the labour force. Many of them are withdrawn from school so that their mother is able to work for money, while their male siblings remain in school. Many girls as young as 16 years old (the minimum legal age for formal employment), become factory workers. Their monetary contribution often provides the means for educating their siblings and other expenses. A household is at its most vulnerable when the parents are too old or too weak to work and are totally dependent on a working daughter. Unskilled women workers, particularly women heads of households, are also the most vulnerable groups. A study shows that 18 percent of Malaysian women are single parents (HAWA, 1997)⁷.

Most members of the household are forced to work for an income; children inevitably engage in work in the informal sector. The hours of work necessary for women to fulfil their functions is one of the most important factors affecting their welfare. Research shows that women often spend most of their waking hours working, even in better times. Studies across the world have shown that women consistently work longer hours than men do. In Malaysia, female rubber tappers, who come from the poor households, have workdays of 18-20 hours, including time spent on domestic duties (Cecelia, Rokiah 1985). It is anticipated that with the economic crisis most women will spend extra hours working because it is perhaps the only weapon against poverty.

3. Linkages between Paid and Unpaid Work in Human Resource Policy

Policy concerns are mainly in the context of the increase in women's participation in waged employment. Policy concerns lie with the ways and means to increase the "supply" of women workers, especially in the manufacturing sector, under the tight labour market situation.

The labour force comprises more than 8.1 million, out of Malaysia's estimated population of 20 million. Sixty percent of the workforce is young and educated and within the age group of 15 to 34 years. Malaysian workers have a reputation for their productivity. Today, eight universities (new ones are being established to cater for the increased local demand for higher education), numerous technical and vocational schools, and private colleges provide a stable supply of "trainable" labour to support the growth of industry. At the same time, the Human Resources Development Act of 1992 has made it mandatory for industry to contribute 1 percent of the total wage bills toward the Human Resources Development Fund (HRDF), managed by the Human Resources Development Council (HRDC) in order to finance the training and retraining of employees. A "retrenchment training scheme" was recently proposed which reflects the government's preparedness to continue to "retool" employees despite layoffs.

In short, during the 1990s, human resource development has assumed new importance. Competitiveness, productivity, innovation and capability in the management of new technologies in Malaysia will be determined by the quality of its human resources. Thus, in view of the challenges ahead with the increasing globalization of the world economy, Malaysians should be well equipped with a strong base in education and training, including the ability to speak English, the international language of commerce.

Since the late 1980s, there have been various government initiatives seeking to raise the skills of Malaysian workers. Since the early days of labour-intensive assembly activities, there has been an increasing sophistication of the manufacturing processes in Malaysian industries. Skill levels have risen significantly through industry-led training centers such as the Skills Development Corporations of various states throughout the country.

While these are encouraging trends, from the perspective of human resources development, several problems may be noted. In-house training meets some of the market failures in the provision of technical skills, but it cannot substitute for major gaps in the formal education system. Also, most large firms do little formal training beyond the minimum needed for operational purposes, and the creation of better long-term human resources for advanced design or development work is not considered by most. The SMI (small-and medium industries) sector provides almost no training apart from apprenticeships, which only require a pass on simple skills.⁸

On the whole, human resources development must contain policies and programs that continuously upgrade and improve the education and training programs and facilities to meet the changing skill requirements. With rising incomes, the demand for higher education will keep increasing. Most of this demand will have to be met locally as Malaysia cannot continue to rely upon foreign universities and colleges to solve the problem of providing places for its students. In view of the larger financial resources required to meet local demands, it will not be possible for the government alone to bear the full burden. Hence, policy initiatives such as corporatization of local universities and education franchising are quickly becoming acceptable norms in both public and private institutions of higher learning toward the close of the 20th century.

It is imperative that the Ministry of Human Resources have a role in supporting the nation's thrust to industrialize the economy.⁹ The objectives of the Ministry include the following: to restructure and promote the balanced distribution of human resources in accordance with the New Economic Policy (NEP); to preserve, develop, and improve the welfare and well-being of workers; to preserve the safety and health of workers with emphasis on pollution control in factories and places where machinery is used; to provide data concerning manpower and its demand and supply characteristics of the labor market; to provide training facilities in industrial skills to meet the basic and expert skills demanded; and to provide standards and trade certifications. These objectives are to be achieved through agencies

such as the Department of Trade Union Affairs, the Occupational Safety and Health Department, the Industrial Relations Department, the Industrial Court, Labor Department, National Vocational Training Council, Social Security Organization (SOCSO), and the Labor Market Information Service. Employers must also play a role and this is being addressed through employer associations such as the Motor Vehicle Assemblers Association, the Malaysian Agricultural Producers' Association, the Malaysian Commercial Bank Association, and the Electrical Industry Employers Association. An association that addresses the needs of a variety of industrial firms is the Federation of Malaysian Manufacturers (FMM) which provides a wide range of business and employer support activities, including human resources development and training.

4. Current Status of the Malaysian Government Initiatives in Integrating Paid and Unpaid Work Considerations in Public Policy

At this point in time recognition of women's contributions are in both the "public" sphere of production and "private" sphere of reproduction. The twin responsibilities of family and career are constraints to greater female labour force participation, particularly for married women. In this respect, the private sector will be encouraged to facilitate greater entry of females into the labour force through women-sensitive personnel policies. Measures that are suggested and implemented in the Seventh Malaysia Plan include the provision of housing and transportation facilities between the home and place of work. The private sector will also have to consider providing more conducive working arrangements for women that take into account their multiple roles and responsibilities. The provision of flexible working hours, career breaks and other flexible work practices will enable women to integrate work with household duties. Discussions on the increasing need for childcare facilities are still in process. Currently, there are no efforts to integrate paid and unpaid work in public policy. Concerns are focused on "gender and development" and "paid" employment. The issues are labour force participation, increasing educational opportunities, and other social concerns such as violence against women.

5. Policy Implications

Despite a shift in female employment from unpaid workers to employees and an increase of employed women in professional and technical related jobs, women still lag behind their male counterparts. For example, between 1980 and 1995, more than 60 percent of unpaid family workers were female. Similarly, although there is a rise in the number of employed females in professional and technical related jobs, further scrutiny reveals that a high percentage of them are teachers. In addition, the increase in paid employment does not necessarily reduce the burden of household responsibilities, including childcare. Therefore, further effort is needed from the government to reduce gender imbalances. Studies indicate that the presence of young children reduces the probability of labour force participation among married women. In order to encourage more women to participate in the labour force, employers and government should seriously consider providing child-care facilities at the work place. Some government departments like RISDA, the Department of Agriculture, the Ministry of National Unity and Social Development have already initiated their own in-house childcare centres.

During the Seventh Malaysia Plan, the Government included the provision of tax exemptions to employers for the establishment of childcare centres or crèches near or at workplaces to enable working mothers to look after their children during off-time periods. Institutions such as the Women's Institute of Management (WIM) provided training in small business and entrepreneurial activities. Other efforts by both the public and private sectors included the provision of job training, better career prospects, as well as improved transport, and welfare facilities. Employers were also urged to provide proper housing and hostel facilities, particularly for the benefit of rural migrants, many of whom were women. The Government as well as NGOs encouraged the growth of extended family systems whereby the elderly helped young couples in caring for their children. This was aimed at releasing more women to seek employment and undertake income-generating activities.

Recognizing that one of the main factors constraining women's participation in higher-skilled and better-paying jobs was a lack of marketable skills, further efforts will be taken by the public and private sectors to enhance human capital formation among women through technical, vocational, and other

relevant training programs. Greater access to labour market information will further facilitate the entry of women in wage employment by providing women with knowledge of job availability and requirements in various sectors of the economy. Advances in information technology will assist women to increase their productivity and efficiency at the workplace.

Successful integration of paid and unpaid work would give a truer picture of the real economy as this would have implications for decisions on allocation of public resources for sustainable economic development. In Malaysia, databases on women are not integrated and are scattered all over agencies. HAWA is not able to strengthen this data. Time-use surveys have not been carried out.

Therefore, the first recommendation to the national government (HAWA) is to begin strengthening the database using time-use surveys. Time-use information can serve to inform future allocation of public resources. Misunderstandings about women's available time and unemployment can result in misallocation of resources and wastage in planning processes. This information is essential for human resource policy planners and trainers need to know whether target groups in fact have room in time budgets for training and skills upgrading. However, some of these recommendations are outlined in the National Action Plan.

6. Recommendations in the National Action Plan

Measures taken by the Malaysian government to overcome the crisis are outlined in the National Economic Recovery Plan, unveiled on July 22, 1998. Taking a macro level approach, its basic aims are to stabilize the ringgit, to restore market confidence, maintain financial stability, strengthen economic fundamentals, restore adversely affected sectors, and to continue with the equity and socio-economic agenda.

However, some specific measures are outlined in relation to vulnerable groups, particularly the extremely poor. The original budget allocation to ameliorate poverty for this group has been retained and there is an additional budget from the World Bank loan. More allocations were also made for overall poverty eradication and rural development. This is in anticipation that the incidence of poverty will increase as a result of the crisis. Yet no specific measures were mentioned in the case of vulnerable groups such as women, migrant workers, the urban poor, and the elderly. A migrant worker who cannot be re-deployed is, however, encouraged to be repatriated, while the tightening of entry controls for foreign workers is envisaged.

Measures to increase labour competitiveness are also outlined. These include steps to increase labour productivity, encourage employers to send workers for training and retraining, and to channel levies collected from foreign workers in order to fund the retraining of retrenched workers. Efforts were also being undertaken to overcome the slower employment growth by increasing opportunities for self-employment. These include promoting systematic petty-trading in vegetable cultivation, livestock, etc., training new petty traders and those interested in agriculture and revitalizing construction and infrastructure projects in order to create new jobs.

Notes

1. Reasons women opt for self-employment are independence, higher income, greater freedom and control over their working lives, and not having to retire at a specific age (Maimunah & Rusinah, 1997; Sieh L.M et al, 1991). Self-employed women in the informal sector usually consist of petty traders, hawkers and home-based contract workers or other home-based service providers, as well as those involved in cottage industries and direct selling.
2. The statistics only cover the sectors that responded to the questionnaires provided by the Ministry of Human Resources. The figures only cover the period between January 1997 to June 1998.
3. The objectives set for the Women's Watch are as follows:
 - (i) To monitor discriminatory practices in all sectors, the formulation of government policies to ensure the integration of all women's interest and the implementation of all Government's programs in line with the Beijing Platform for Action, Women's Policy and other international conventions.
 - (ii) To assess the impact of Government policies and progress on Women in particular and the Nation in general in order to ensure complete transparency.
 - (iii) To closely liaise and interact with the relevant government departments, government agencies and the NGOs with the aim of assessing the present position of women and urging major reforms and changes.
 - (iv) To initiate the formulation of new legislation and programs.

A wide combination of activities needs to be implemented to meet the objectives and functions of the Women's Watch. Among these are:

- ⇒ Hotline for discriminatory practices in the media/newspaper survey.
- ⇒ Studies and Research
- ⇒ Networking
- ⇒ Capacity building for the Watch
- ⇒ Fund Raising
- ⇒ Maintain a Database.

4. Wage differentials were prevalent in agriculture, with monthly wage rates for female rubber tappers of RM268 compared with RM282 for males (Occupational Wage Survey 1974, 1997, 1980, 1983, Ministry of Labour). Data on occupational wages for 1970 and 1980 indicate that wage differentials for major industrial sectors widen as one approaches the top level of the employment pyramid. Male-female wage differentials continued to exist in private sector establishments. However, these differentials were narrowing steadily, particularly in labour intensive industries where women were well represented (7MP, p.625).
5. The two examples imply that female employment benefits are weaker than male benefits in the paid workforce, and that there would be less value in investing a female's education, training and career development than that of males. The two Acts are male-biased.
6. Unfortunately, data on unpaid category is not available.
7. The government is currently reviewing the Employment Act 1955, with a view to amending rules relating to part-time employment. This will permit women to be gainfully employed in part-time employment. To further raise the female participation rate, firms will be encouraged to adopt flexible work practices by introducing career breaks, job shares, and flexitime for full-time women workers. This family-friendly approach will provide women the flexibility to balance their time between work and family. The greater use of information technology will provide opportunities for women to be gainfully employed from home.
8. Recently, however, WIM (Women Institute of Management) has developed training programs in small business and entrepreneurial activities for women.

9. The strategy policy thrusts for human resource development (7MP) that support the nation's thrust to industrialize the economy are:
- (a) encouraging greater capital intensity of production in order to save on the use of labour, thereby reducing the reliance on foreign labour;
 - (b) increasing the utilization of local labour, including raising female labour force participation;
 - (c) enhancing the productivity of labour through greater efforts at skills training and retraining.

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Malaysia: Tables

Table 1. Total Retrenchment According to Sectors: January 1997-June 1998

| Sectors | Jan -Jun 1997 | July-Dec 1997 | Jan-Mar 1998 | Apr-June 1998 |
|---|------------------|------------------|-----------------|------------------|
| Agriculture, Forestry, Livestock & Fishery | 221 | 324 | 415 | 247 |
| Mining & Quarrying | 57 | 65 | 86 | 256 |
| Manufacturing | 4,592 | 7,676 | 9,298 | 4,826 |
| Electrical, Gas | | | | |
| Construction | 19 | 93 | 2,041 | 1,586 |
| Wholesale &Retail | 64 | 199 | 2,008 | 1,659 |
| Transportation, Storage & Communication | 1,369 | 70 | 230 | 615 |
| Financial Services, Insurance, Trade | 5 | 0 | 1,243 | 972 |
| Social Services | 18 | 17 | 428 | 513 |
| Other services | 18 | 486 | 71 | 0 |
| Total | 6,363 | 8,930 | 15,821 | 10,676 |

Source: Ministry of Human Resources, Malaysia.

**Table 2. Peninsular Malaysia: Retrenchment According to Sectors: January 1998-June 1998
(in thousands)**

| Sectors | January | | February | | March | | April | | May | | June | | Total Employment 2000** | Total Retrenchment Jan-June 1998 | | Total Retrenchment | |
|--|---------|-----|----------|-------|-------|-------|-------|----|-------|-------|-------|-------|-------------------------------|--|--------|-----------------------|-------|
| | M | F | M | F | M | F | M | F | M | F | M | F | | M | F | N | (%) |
| Agriculture, Forestry, Livestock & Fishery | 97 | 143 | 1 | 8 | 87 | 79 | 43 | 5 | 30 | 47 | 85 | 37 | 1,187,700 | 343 | 319 | 662 | 0.05 |
| Mining & Quarrying | | | 4 | - | 70 | 12 | 53 | 22 | 119 | 2 | 57 | 5 | 44,500 | 303 | 41 | 344 | 0.77 |
| Manufacturing | 174 | 185 | 1,729 | 2,269 | 2,100 | 2,841 | 57 | 11 | 1,142 | 1,259 | 1,326 | 1,031 | 2,616,300 | 6,528 | 7,596 | 14,124 | 0.54 |
| Electrical, Gas | | | | | | | | | | | | | 84,000 | | | | |
| Construction | 6 | | 450 | 111 | 1,268 | 209 | 44 | 14 | 629 | 122 | 581 | 196 | 845,400 | 2,978 | 652 | 3,630 | 0.42 |
| Wholesale & Retail | 28 | 15 | 570 | 295 | 786 | 312 | 38 | 17 | 464 | 323 | 419 | 398 | 1,469,600 | 2,305 | 1,360 | 3,665 | 0.2 |
| Transportation, Storage & Communication | | | 39 | 42 | 39 | 110 | 2 | 0 | 372 | 94 | 107 | 40 | 506,900 | 559 | 286 | 845 | 0.2 |
| Financial Services, Insurance, Trade | | | 262 | 191 | 412 | 378 | 3 | 3 | 254 | 163 | 299 | 250 | 479,000 | 1,230 | 985 | 2,215 | 0.46 |
| Social Services | | | 87 | 42 | 182 | 117 | 0 | 0 | 190 | 108 | 126 | 89 | 894,200 | 585 | 356 | 941 | 0.11 |
| Other services | 14 | 19 | 14 | 24 | | | 0 | 0 | | | | | 938,600 | 28 | 43 | 71 | 0.008 |
| Total | 319 | 362 | 3,156 | 2,982 | 4,944 | 4,058 | 240 | 72 | 3,200 | 118 | 3,000 | 2,046 | 9,066,200 | 14,859 | 11,638 | 26,497 | 0.29 |

**Derived from Table A.12, Malaysia: Employment by Sector, p.20, Malaysia: Labour and Human Resource Statistics 1977, Ministry of Human Resource.

Data January 1998- June 1998 from Ministry of Human Resource, Malaysia.

Table 3. Peninsular Malaysia: Retrenchment According to Occupational Group: January 1998-June 1998 (in thousands)

| Occupational Group | January | | February | | March | | April | | May | | June | | Total Jan-June | | Total Employment year 2000 | Retrenchment | |
|--|---------|-----|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|----------------|--------|----------------------------|--------------|------|
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | | | |
| Professional, Technical and Related Work | 5 | 0 | 1,093 | 370 | 1,204 | 258 | 959 | 235 | 638 | 134 | 640 | 130 | 4,539 | 1,127 | 1,097,000 | 5,666 | 0.50 |
| Administrative & Managerial Workers | 19 | 36 | 282 | 132 | 386 | 183 | 443 | 263 | 196 | 117 | 319 | 187 | 1,645 | 918 | 290,100 | 2,563 | 0.90 |
| Clerical and Related Workers | 6 | 13 | 290 | 504 | 364 | 708 | 393 | 621 | 236 | 462 | 280 | 505 | 1,569 | 2,813 | 933,800 | 4,382 | 0.50 |
| Sales Workers | 6 | 5 | 83 | 62 | 163 | 141 | 178 | 133 | 207 | 205 | 128 | 100 | 765 | 646 | 1,042,600 | 1,411 | 0.10 |
| Service Workers | 38 | 5 | 66 | 44 | 298 | 119 | 446 | 170 | 299 | 126 | 199 | 170 | 1,346 | 634 | 1,167,500 | 1,980 | 0.20 |
| Agriculture, Forestry Workers, Fisherman | 4 | 0 | 0 | 0 | 16 | 20 | 20 | 47 | 13 | 16 | 7 | 20 | 60 | 103 | 1,486,900 | 163 | 0.01 |
| Production Workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,046,200 | 0 | 0 |
| Skills Worker | 7 | 2 | 452 | 635 | 944 | 1,689 | 392 | 38 | 526 | 329 | 416 | 150 | 2,737 | 2,843 | n.a | 5,580 | n.a |
| Semi-skilled | 19 | 116 | 434 | 1,122 | 538 | 431 | 232 | 320 | 642 | 353 | 523 | 553 | 2,388 | 2,895 | n.a | 5,283 | n.a |
| General Workers | 215 | 185 | 456 | 113 | 1,031 | 509 | 385 | 257 | 443 | 376 | 488 | 231 | 3,018 | 1,671 | n.a | 4,689 | n.a |
| Total | 319 | 362 | 3,156 | 2,982 | 4,944 | 4,058 | 3,448 | 2,084 | 3,200 | 2,118 | 3,000 | 2,046 | 18,067 | 13,650 | 9,066,200 | 31,717 | 0.35 |

*Figures for Total Employment from Table 4.3, p.113 Seventh Malaysia Plan.
Source: Labour Department, Peninsular Malaysia

Table 4 Distribution of Economically Active Females (%) in Peninsular Malaysia by Occupational Status, 1980-1995

| Employment Status/Year | 1980 | 1985 | 1990 | 1995 |
|------------------------|-------|-------|-------|-------|
| Employer | 0.6 | 0.8 | 0.7 | 0.7 |
| Employee | 64.5 | 64.4 | 69.1 | 77.1 |
| Own Account Worker | 16.4 | 16.5 | 15.2 | 12.7 |
| Unpaid Family Worker | 18.5 | 18.3 | 15.0 | 9.5 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Labour Force Survey (1980, 1985, 1990 and 1995).

Table 5. Percentage Distribution of Economically Active Population by Employment Status and Gender, Peninsular Malaysia, 1980-95

| Employment Status | 1980 | | 1985 | | 1990 | | 1995 | |
|---------------------------|-------|-------|--------|---------|--------|---------|--------|--------|
| | M | F | M | F | M | F | M | F |
| Employer ('000) | 112.7 | 8.4 | 133 | 13.5 | 155 | 14.4 | 142.6 | 15.1 |
| (%) | 2.7 | 0.2 | 2.9 | 0.3 | 2.8 | 0.4 | 2.4 | 0.2 |
| Employee ('000) | 1,868 | 907 | 2074.6 | 1031.1 | 2438.6 | 1359.9 | 2949.5 | 1616.3 |
| (%) | 44.1 | 21.4 | 44.6 | 22.2 | 44 | 24.5 | 48.6 | 26.6 |
| Own Account Worker ('000) | 669.8 | 247.6 | 686.8 | 264.5 | 805.7 | 299.5 | 817.7 | 65.4 |
| (%) | 15.8 | 5.8 | 15.1 | 5.6 | 14.5 | 5.4 | 13.5 | 4.3 |
| Unpaid Worker ('000) | 142.5 | 277.9 | 150.9 | 293 | 165.1 | 296.1 | 65 | 200.2 |
| (%) | 3.4 | 6.4 | 3.1 | 6.2 | 3.1 | 5.3 | 1.1 | 3.3 |
| Total ('000) | 2,793 | 1,441 | 3045.3 | 1,602.1 | 3564.4 | 1,969.9 | 3974.8 | 1,897 |
| (%) | 66 | 34 | 65.7 | 34.3 | 64.4 | 35.6 | 65.6 | 34.4 |

Source: Calculated from Labour Force Surveys - various years, Department of Statistics, Kuala Lumpur.

Table 6 Employment Distribution by Gender and Industry, 1990 and 1995 (%)

| Industry | 1970 | | 1980 | | 1990 | | 1996 | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| | M | F | M | F | M | F | M | F |
| Agriculture, Forestry, Livestock & Fishing | 49.6 | 67.9 | 37.5 | 49.3 | 28.6 | 33.7 | 20.6 | 17.0 |
| Mining & Quarrying | 2.3 | 0.7 | 1.4 | 0.3 | 1.1 | 0.2 | 0.6 | 0.1 |
| Manufacturing | 9.3 | 8.1 | 11.8 | 16.3 | 13.0 | 18.9 | 20.2 | 27.6 |
| Construction | 3.1 | 0.5 | 6.4 | 1.0 | 10.7 | 1.2 | 12.1 | 1.7 |
| Electricity, Gas and Water | 1.0 | 0.1 | 0.2 | 0.1 | 0.8 | 0.5 | 0.7 | 0.2 |
| Transport, Storage & Communication | 5.0 | 0.5 | 0.5 | 0.7 | 5.9 | 1.3 | 6.4 | 1.7 |
| Wholesale & Retail Trade, Hotel & Restaurants | 11.6 | 5.8 | 13.1 | 11.2 | 16.8 | 19.1 | 17.1 | 21.6 |
| Finance, Insurance, Real Estate & Business Services | - | - | 1.9 | 1.6 | 3.8 | 3.9 | 4.4 | 5.9 |
| Other Services | 18.1 | 16.4 | 22.7 | 19.5 | 19.3 | 21.2 | 17.9 | 24.3 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Table 20-2, Seventh Malaysia Plan, Government Publication Malaysia, 1996.

Table 7 Employment Distribution by Occupation and Sex, 1990 and 1995 (%)

| Occupation Category | 1990 | | 1995 | |
|---|-------|-------|-------|-------|
| | M | F | M | F |
| Professional, Technical & Related Workers | 6.4 | 9.4 | 8.4 | 13.5 |
| Administrative & Managerial Workers | 2.8 | 0.6 | 4.4 | 1.9 |
| Clerical & Related Workers | 7.0 | 14.1 | 7.3 | 17.6 |
| Sales & Related Workers | 11.4 | 11.4 | 10.9 | 11.3 |
| Service Workers | 9.9 | 14.1 | 9.9 | 13.4 |
| Agriculture Workers | 29.4 | 28.1 | 20.9 | 15.8 |
| Production & Related Workers | 33.1 | 22.3 | 38.2 | 26.5 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Table 20-3, Seventh Malaysia Plan, Government Publication, Malaysia, 1996