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KUALA LUMPUR: Malaysian Employers Federation (MEF) has clarified that the starting salary for fresh graduates in the private sector in the country had been gradually increasing from 2010 to 2018.

This was contrary to the picture painted by Bnk Negara Malaysia (BNM).

The employers grouping data showed that a diploma holder could earn a salary of RM1,661 in 2018 compared to RM1,458 in 2010, basic degree RM2,393 (RM1,993) and master’s degree RM3,267 (RM2,923).

MEF Executive Director Datuk Shamsuddin Bardan said the data was based on the MEF Salary Survey for Non-Executives and Executives 2010 and 2018 with data collected from participating member companies and published by MEF.

BNM has analysed and adjusted the MEF salary data to "real" terms, by taking into account factors such as Consumer Price Index, he said.

*MEF states that when the actual salary data shows that the starting basic salary for all categories including diploma, degree and masters degree holders were on the upward trend from 2010 to 2018, but was stated as otherwise in the BNM report, had put the Malaysian employers in a bad light.
“Malaysian employers were blamed for not paying the newly employed enough starting basic salary,” he said.

According to BNM’s annual report, a fresh graduate with a diploma could earn a salary of RM1,376 in 2018 compared to RM1,458 in 2010 while a Master’s degree holder RM2,923 (RM2,707).

Shamsuddin said the Bank Negara analysis of “real” wages may be useful for policy formulation but caused distrust and disharmony among employees and employers.

MEF, he reiterated said that the starting basic pay would only be applicable during the probation period and in the event the probationer was able to prove that he or she was an asset to the organisation the salary would inevitably be reviewed to a higher level to ensure that the employee stayed with the employer.

He said the basic salary in the report did not include overtime, payments for work done on rest days and public holidays, allowances, bonuses and other related payments.

*MEF is of the view that increases in starting basic salary should be based on company's ability to pay and performance of the employee. - Bernama