PETALING JAYA: The Malaysian Employers Federation (MEF) has forecast an overall 4.86% increase in salary for executives for 2019, which is a tad lower than the actual average pay rise of 4.88% in 2018.

Its president Tan Sri Azman Shah Haron said the forecast average salary increase for non-executives for 2019 is 4.89% compared with the actual average salary increase of 4.88% in 2018.

“This (forecast of a marginally smaller pay rise) is due to restructuring, downsizing and retrenchments by many companies,” he said at the launch of MEF’s latest publications.

This year, 92.4% of the respondent companies granted salary increase to executives, which was 1.9% fewer compared with in 2017.

For non-executives, 92.7% of the respondent companies granted pay rise this year compared with 94.6% in 2017.

Meanwhile, MEF forecast an average bonus payout of 2.06 months for executives this year, which is slightly smaller than the average of 2.08 months of actual bonus granted last year.

The average forecast bonus for non-executives is 1.97 months, slightly more than last year’s average bonus of 1.95 months. The executive report covered 160 benchmark positions of 14,330 executives, while the non-executives report covered 24,404 non-executives with 109 benchmark positions.

The first two MEF publications this year were its flagship publications: the 24th edition of the MEF Salary Survey for Executives 2018 and MEF Salary Survey for Non-executives 2018.

The third publication was the 13th edition of the MEF analysis of collective agreements and awards of the industrial court on terms and conditions of employment 2017, which was compiled based on 263 collective agreements, and 24 industrial court awards on terms and conditions of employment handed down in 2017.

And the last publication, which was the MEF Fringe Benefits Survey 2018, provided information on benefits packages provided by the respondent companies.