7 Prices, Employment and Wages

Performance

The strong economic recovery in 1999 and 2000 was achieved in an environment of relative price stability. The stable exchange rate as well as the continuing low inflation environment in major industrial countries render imported inflation insignificant during the first nine months in 2000. On the domestic front, inflationary pressures remained subdued as excess capacity was prevalent in certain sectors of the economy. With the ongoing restructuring in the banking and financial sectors, wage inflationary pressures did not emerge although there were evidences of wage pressures in selected sectors, notably manufacturing and plantation, reflecting some degree of frictional unemployment. In line with the improving economic condition, labour market prospects are expected to be more favourable with increasing job vacancies and lower retrenchments compared with the situation in 1999.

The **Consumer Price Index (CPI)** (1994 = 100) increased moderately by 1.4% for the first nine months of 2000 (1999: 3%), the lowest in the past five years. For the year 2000, CPI is expected to increase at an average rate of 1.9% (1999: 2.8%), significantly lower than 5.3% experienced at the height of the financial crisis in 1998. The increase in CPI is largely on account of increases in the prices of food as well as transport and that of petroleum products.

The **Producer Price Index (PPI)** for the first eight months of 2000 increased markedly by 4.8% (1999: -4.8%). This was mainly due to the increase in crude petroleum prices which averaged around US$34.70 per barrel (1999: US$25.13 per barrel).

Economic recovery is expected to have a favourable impact on **employment** generation in 2000, creating 186,000 new job opportunities. This, together with an expected lower labour force growth rate at 2%, is estimated to contribute to a decline in the unemployment rate to 2.9% (1999: 3%).

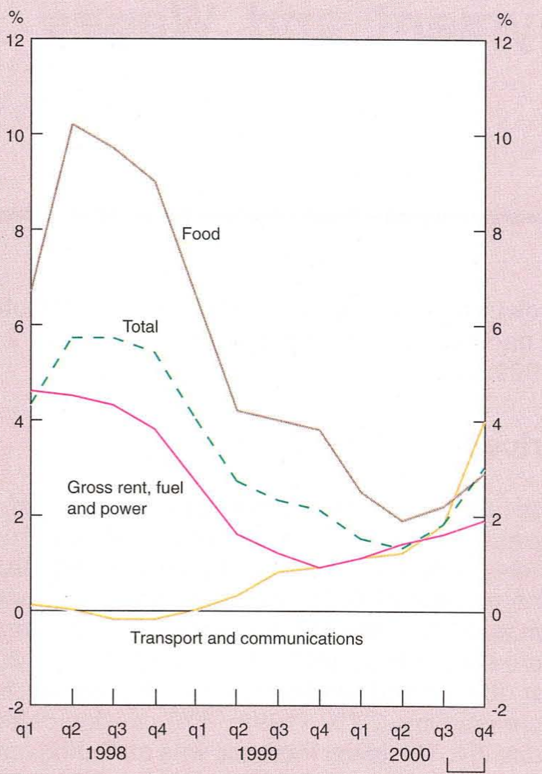
Prices

The domestic consumer price situation, as measured by the Consumer Price Index (1994=100), improved significantly during the first nine months of 2000. As food prices account for almost 35% of the CPI's total weight, its marginal increase contributed to the low inflation in 2000. For the period under review, **prices of food** increased by 2.1% (1999: 5%), as indicated in *Table 7.1*. The lower increase was attributed mainly to a decline in the prices of fruits and vegetables by 0.6% (1999: 3.6%). The index for **food taken at home** moderated to 1.8% (1999: 5.2%) while the index for **food taken away from home** also registered a lower growth of 2.9% (1999: 4.4%), as indicated in *Table 7.2*. Indices for most of the other sub-groups of food taken at home such as rice, bread and other cereals, meat, coffee and tea and other foods showed moderate increases of 0.4%, 4.1%, 0.1% and 1.3%, respectively (1999: 5.3%, -0.4%, 4.6% and 4.7% respectively). This was due to cyclical supply constraints, particularly for essential food items. On the other hand, sub-groups for milk and eggs, oils and fats, fruits and vegetables, and sugar also showed declines of 1.3%, 0.9%, 0.6% and 0.3%, respectively (1999: 4.3%, 2.2%, 3.6% and 2%, respectively).

On the same token, the sub-index of **gross rent, fuel and power** registered a 1.3% increase (1999: 1.8%). This index, however, is expected to increase further in the later part of the year, following the lag effect of increases in petroleum prices effective 1 October 2000.

CPI for **beverages and tobacco** as well as **recreation, entertainment, education and cultural services** increased at moderate rates of

Chart 7.1
Consumer Price Index (1994 = 100)
(annual growth rate)



q - quarterly.

2.4% and 0.4%, respectively for the first nine months in 2000 (1999: 9.4%, 3%) reflecting the increase in domestic demand on account of increasing disposable income. Prices for **medical care and health** increased by 2.1% along with **miscellaneous goods and services** (1.2%). Increases in prices ranging between 0.1% and 2.6% were also recorded in the remaining groups whilst **clothing and footwear** declined by 1.7%, reflecting cyclical excess supply.

Within the **transport and communications** group, the moderate increase of 1.3% for the first nine months of 2000 (1999: 0.3%), was mainly attributed to the increase in transportation charges. In July 2000, the Government approved increases in bus fares, ranging between 14.3% to 33.3%, depending on the various types of buses and their regional locations.

In terms of **income groups**, the CPI increase slowed down to average of 1.4% for the income group **below RM1,000** during the first nine months of 2000 (1999: 3.9%) compared with 1.5% for the

Table 7.1

Malaysia: Consumer Price Index
(1994=100)

	Weights	Growth Rate (%)		
		1999	1999 (January–September)	2000 (January–September)
Total	**100.0**	**2.8**	**3.0**	**1.4**
Food	34.9	4.6	5.0	2.1
Beverages and tobacco	3.6	7.9	9.4	2.4
Clothing and footwear	3.6	-2.0	-2.1	-1.7
Gross rent, fuel and power	21.1	1.6	1.8	1.3
Furniture, furnishings and household equipment and operation	5.6	1.3	1.7	0.0
Medical care and health expenses	1.9	3.1	3.4	2.1
Transport and communications	17.9	0.5	0.3	1.3
Recreation, entertainment, education and cultural services	5.8	2.6	3.0	0.4
Miscellaneous goods and services	5.6	1.5	1.7	1.2
Peninsular Malaysia	**100**	**2.9**	**3.2**	**1.6**
Sabah	**100**	**2.4**	**2.8**	**0.4**
Sarawak	**100**	**1.6**	**1.7**	**1.5**

Source: Department of Statistics.

Table 7.2

Malaysia: Consumer Price Index For Food
(1994=100)

	Weights	Growth Rate (%)		
		1999	1999	2000
			(January–September)	
Total Food	**34.9**	**4.6**	**5.0**	**2.1**
Food at home	**25.1**	**4.8**	**5.2**	**1.8**
Rice, bread and other cereals	5.5	4.2	5.3	0.4
Meat	3.8	-0.3	-0.4	4.1
Fish	4.9	10.8	11.2	5.6
Milk and eggs	2.3	3.7	4.3	-1.3
Oils and fats	0.7	1.7	2.2	-0.9
Fruits and vegetables	5.4	3.5	3.6	-0.6
Sugar	0.6	1.4	2.0	-0.3
Coffee and tea	0.8	3.6	4.6	0.1
Other foods	1.1	4.4	4.7	1.3
Food away from home	**9.8**	**4.3**	**4.4**	**2.9**

Source: Department of Statistics.

income group of **below RM1,500** (1999: 3.6%). The food component of both income groups increased by 1.7% and 1.9%, respectively (1999: 5.6%, 5.4%, respectively) compared with the increase of 1.4% in the aggregate CPI. CPI for gross rent, fuel and power and transport and communications for both groups of income increased at a slower rate of 1.3% and 1.5% (1999: 1.7%, 0.7%), and 1.3% and 1.4% (1999: 1.8%, 0.6%), respectively. CPI for the lower income group increased at a slower rate, in line with the marginal increase in national CPI.

CPI for the **rural and urban areas** increased by about the same magnitude. For the first nine months of 2000, CPI for the **rural areas** increased moderately by 1.4% (1999: 3.4%) while CPI for the **urban areas** increased by 1.5% (1999: 2.9%). The prices of food in the rural areas increased at a slower rate of 1.5% (1999: 5.2%) compared with an increase of 2.6% (1999: 4.9%) in the urban areas, reflecting higher demand for food in urban areas. The gross rent, fuel and power for the rural areas showed a marginal increase of 1.5% (1999: 1.6%) compared with lower a rate of 1.1% (1999: 1.9%) for the urban areas, reflecting the lag effect of rental increase in the rural areas due to economic recovery. Index for transport and communications in the rural areas increased by 1.4% (1999: 0.3%) compared with a lower increase of 1.2% (1999: 0.3%) for the urban areas, reflecting the effect after the increases in bus fares.

These two groups were having different price movements reflected by the differentials in the weights attached to components within CPI. For example, in urban areas, larger weights are attached to gross rent, fuel and power (22.9%), recreation, entertainment, education and cultural services (6.3%) and medical care and health expenses (2.1%) compared with 17.7%, 4.6% and 1.5%, respectively, in the rural areas reflecting different patterns of living in both areas. In contrast, the weight for food in rural areas are higher at 39.5% compared with 32.8% for the urban areas.

The index for **non-durable goods** which constitute goods with an expected lifetime of less than one year moderated to 1.7% during the first nine months of 2000 (1999: 4.7%) while for **durable goods** it registered an increase of 1.4% during the review period (1999: -0.8%). However, the index for **semi durable goods,** representing goods with a lifetime of more than a year but of lesser value than durables such as clothing and footwear, further declined by 0.1% (1999: -0.9) while the index for services also registered a lower growth of 1.8% (1999: 2.6%), due to the increases in transport charges.

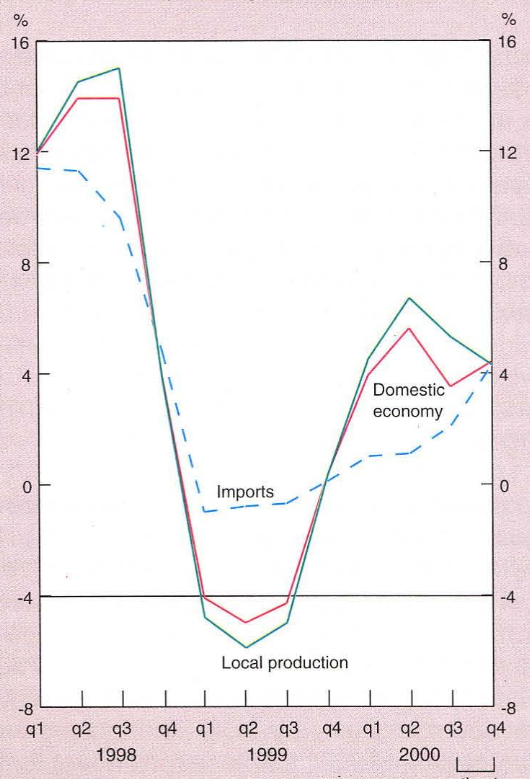
On a **regional basis**, CPI for **Peninsular Malaysia** showed a slower increase of 1.6% during the review period (1999: 3.2%), as indicated in *Table 7.1*. The moderate increase was due to lower growth registered by most of the sub-indices. In **Sarawak**, CPI increased by 1.5% (1999: 1.7%) in tandem with the national trend. In **Sabah**, CPI increased marginally by 0.4% during the period under review (1999: 2.8%) largely due to the marginal increase of 0.7% in the prices of food, which represents 36.5% of the weight in CPI for Sabah. Most of the other sub-indices also showed moderate increases, while the index for clothing and footwear and gross rent, fuel and power continued to register a decline of 1.4% and 0.9%, respectively.

While CPI measures the prices of final goods and services that are consumed by an average household, **PPI** measures the average rate of change in the prices of all commodities charged by producers and paid by importers. Therefore, CPI and PPI are not directly comparable as there is a time lag for changes in retail prices following changes in PPI. Growth in PPI for the **domestic economy** during the first eight months of 2000 was 4.8% (1999: - 4.8%), as indicated in *Table 7.3.* The increase was due to higher prices for petroleum products which carries a weight of 18.8%, the highest in PPI, wherein a major increase of 41.8% was recorded in the sub-indices for **mineral fuels, lubricants and related materials** (1999: 3%). Most of the other sub-indices recorded positive growths. Although there was a significant decline of 28.2% in the index for **animal and vegetable oils and fats,** particularly due to excess supply, it did not offset the increases in other components of the PPI.

Chart 7.2

Producer Price Index (1989 = 100)

(annual growth rate)



q - quarterly.

PPI for **local production**, which constitutes 71.8% of the weights attached to the aggregate PPI, increased by 5.7% (1999: -5.7%) due to significant increases particularly in the prices for mineral fuels, lubricants and related materials (47.4%). On the contrary, the sub-index for animal and vegetable oils and fats declined by 28.4% due to the decrease in prices of animal and vegetables oil, particularly palm oil while that of machinery and transport equipment declined by 0.5%.

PPI for **imports**, which accounts for the remaining 28.2% of the total PPI, increased marginally by 1.1% (1999: -0.9%). The sub-index for mineral fuels, lubricants and related materials, machinery, miscellaneous manufactured articles and transport equipment increased by 4.1%, 1.4% and 1.2%, respectively while the sub-index for food and live animals chiefly for food, and animal and vegetable oils and fats decreased by 0.8% and 0.5%, respectively.

As domestic demand is expected to strengthen further in line with economic recovery, domestic prices are expected to increase moderately. World petroleum prices are likely to remain high due to increasing demand in the coming winter months. Domestically, the Government has approved price increases for petrol by 10 sen to RM1.20 per litre, diesel price by 5 sen to 70.1 sen per litre and liquefied petroleum gas (LPG) by 10 sen to RM1.28 per kg. The move was inevitable in order to contain the increase in petroleum subsidy which could otherwise reach beyond RM3 billion this year (1999: RM1.1 billion). Despite the increase, prices of petroleum products in the country still remain among the lowest in the region. However, since petroleum products carry a small weight of about 5% in CPI, its effect on inflation is expected to be minimal. It is anticipated that CPI for the whole of 2000 would be maintained at below 3%.

To contain inflationary pressures, measures will continue to be undertaken to increase domestic food production while diversifying sources of imports. The Government also encourages food production through local and foreign joint ventures. Incentives offered include the provision of technical

Table 7.3

Malaysia: Producer Price Index
(1989=100)

	Weights	Growth Rate (%) 1999	1999 (January–August)	2000 (January–August)
Domestic economy	**100.0**	**-3.3**	**-4.8**	**4.8**
Food and live animals chiefly or food	14.9	-2.3	-1.6	0.1
Beverages and tobacco	2.1	10.2	11.7	0.5
Crude materials, inedible except fuels	18.0	-2.7	-4.7	3.7
Mineral fuels, lubricants and related materials	18.8	14.2	3.0	41.8
Animal and vegetable oils and fats	8.5	-29.4	-26.6	-28.2
Chemicals and related products n.e.c.	4.4	1.5	1.0	1.3
Manufactured goods classified chiefly by material	10.8	-0.9	-1.3	1.0
Machinery and transport equipment	18.3	-0.5	-0.1	0.3
Miscellaneous manufactured articles	3.6	1.4	2.0	0.9
Commodities and transactions not classified elsewhere in SITC	0.6	-0.9	-0.7	0.1
Local production	**79.3**	**-3.9**	**-5.7**	**5.7**
Import	**20.7**	**-0.6**	**-0.9**	**1.1**

n.e.c – not elsewhere classified.
SITC – Standard International Trade Classification.

Source: Department of Statistics.

assistance, funding, insurance schemes and to make more land available for food production. The move to boost food production is intended to reduce agricultural imports which currently amount to more than RM10 billion annually.

The Government has identified priority areas to be pursued in the effort to increase food production which includes intensive livestock breeding programmes, establishing a disease-free zone for livestock, and promoting a brand certification for quality food products. In response, Johor has pioneered into integrated farming involving 13,365 hectres of land in Ayer Hitam while other state governments are taking steps to promote permanent food production zones. Cheaper alternatives to animal feed had been developed locally and its wide usage would assist in reducing imports of livestock breeding and animal feed which amounted to RM4 billion annually.

The government also encourages investments in deep-sea fishing activities, especially in Sabah and Sarawak to identify and exploit new resource areas. Increased output in the fishing industry would help stabilise their prices.

Under the Third National Agricultural Policy (1998-2010), the Government seeks to turn the agricultural sector into a modern, dynamic and competitive sector which would be private sector-led, technology-based and market-driven. These programmes are aimed at reducing import of meat and cattle that currently average RM300 million annually. In an effort to provide greater awareness on price movements among consumers, a national market information database of consumer products and services for purposes of price monitoring, is being prepared.

Employment and Wages

The strengthening economy in 2000 has improved employment prospects after a few years of slow growth in demand for labour and of sizeable retrenchments. **Total labour force** is expected to expand by 2% to 9.194 million persons (1999: 9.01 million persons) while **total employment** is expected to grow by 2.1% to 8.927 million workers (1999: 8.741 million workers). Consequently, the **unemployment** rate is expected to decline further to 2.9% (1999: 3%).

The manufacturing sector remains the largest source of employment opportunities, accounting for 27.1% of total employment or 2.455 million persons. The employment in the next largest sector is the wholesale and retail trade, hotels and restaurants sector, with 1.485 million persons or 16.6% of the total. The agriculture, forestry and fishing sector also provided significant employment opportunities, accounting for 16% or 1.382 million persons in 2000. Employment in government service accounts for 10% of total employment with 863,000 workers while that of the construction sector, 9.2% or 828,000 workers. Other sectors such as finance, insurance, transport and mining account for 5% or less of the total employment.

Consequent to the improved economic situation, it is envisaged that there will be all-round increases in employment in the more important sectors of the labour market. Employment in the **transport, storage and communications sector** is expected to increase by 3.6% to 458,000 persons in 2000 (1999: 442,000 persons), as shown in *Table 7.4.* In the **finance, insurance, business services and real estate sector**, employment is expected to grow by 3.3% to 434,000 persons (1999: 420,000 persons). Similarly, in the **manufacturing sector**, employment is estimated to increase by 3.2% to 2.455 million persons (1999: 2.379 million persons) while in the **construction sector**, the projected increase is 3% to 828,000 persons (1999: 804,000 persons). However, employment in the **agricultural, forestry and fishing sector**, is expected to marginally decline by 0.5% to 1.382 million persons (1999:1.389 million persons). Reflecting the Government's move towards optimisation, employment in government services is anticipated to decline by 1.6% to 863,000 employees (1999: 877,000 employees). Of the total new jobs created, the manufacturing sector represented the largest contributor with 76,000 new jobs (40.9%), particularly within assembly and labour-intensive industries such as wood and wood products; electrical machinery; rubber products and textiles, followed by the wholesale and retail trade, hotels and restaurants sector with 36,000 new jobs (19.4%). In line with economic recovery, the construction sector also rebounded to contribute 24,000 new jobs or 12.9% of the total increase in job opportunities, resulting from the increase in both privatised and public infrastructure projects as well as new housing schemes.

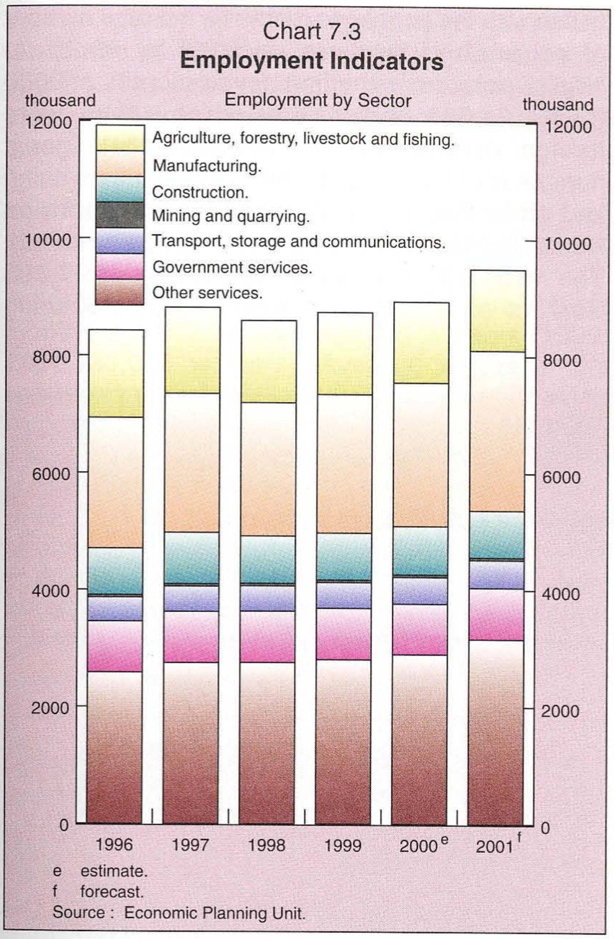
Table 7.4

Malaysia: Employment by Sector
(1999—2000)

	1999		2000[1]		
	('000)	(% share)	('000)	(% share)	Annual Growth Rate (%)
Agriculture, forestry and fishing	1,389.0	15.8	1,382.0	16.0	-0.5
Mining	42.0	0.5	41.0	0.5	-2.4
Manufacturing	2,379.0	27.2	2,455.0	27.1	3.2
Construction	804.0	9.2	828.0	9.2	3.0
Electricity, gas and water	72.0	0.8	74.0	0.8	2.8
Wholesale and retail trade, hotels and restaurants	1,449.0	16.6	1,485.0	16.6	2.5
Finance, insurance, real estates and business services	420.0	4.8	434.0	4.8	3.3
Transport, storage and communications	442.0	5.1	458.0	5.1	3.6
Government services	877.0	10.0	863.0	10.0	-1.6
Other services	867.0	9.9	908.0	9.9	4.7
Primary sector	**1,431.0**	**16.4**	**1,423.0**	**16.5**	**-0.6**
Secondary sector	**3,183.0**	**36.4**	**3,283.0**	**36.3**	**3.1**
Tertiary sector	**4,127.0**	**47.2**	**4,222.0**	**47.2**	**2.3**
Total	**8,741.0**	**100.0**	**8,928.0**	**100.0**	**2.1**

[1] Estimate.

Source : Economic Planning Unit.



Labour demand, as indicated by the number of job vacancies reported to the Manpower Department, increased significantly in the first seven months of 2000. Total **new vacancies** registered an increase of 21.9% to 69,769 vacancies (1999: 57,214 vacancies), as shown in *Table 7.5.* The majority of job vacancies were recorded in Sarawak with 37,287 vacancies representing 53.4% of the total, mainly in the agriculture sector, followed by Penang (5,423 : 7.8%), Johor (5,110 : 7.3%) and Selangor (4,915 : 7%). By **occupational group**, the highest number of vacancies were created in production and related workers, transport, equipment operators and labourers, accounting for 7,284 jobs or 57.6% of the total. The number of vacancies, however, could be higher since not all firms report job vacancies to the Manpower Department. By **job category**, the top six jobs offered by employers were insurance managers, sales managers, electrical and mechanical assistants, statisticians, economists and accountants.

The total number of **active job-seekers** registered in the first seven months of 2000 declined by 2.5% to 36,380 persons (1999: 37,315 persons). Nevertheless, the number of job vacancies still outweighed job seekers by almost 2:1. The majority of registrants were in the Federal Territory with 7,370 registrants, accounting for about 20.3% of the total, followed by Sabah (4,466 : 12.3%), Sarawak (3,111: 8.6%) and Pahang (3000 : 8.2%). By occupational group, the highest number of registrants were for the clerical and related workers which accounted for 17,350 persons or 47.7% of the total.

By job category, the top six jobs chosen by job-seekers were administrative officers, general accountants, computer programmers, mechanical engineering assistants, civil engineering assistants and secretaries. By age group, the number of registrants within the age group of 20 – 24 years were the largest, accounting for 46.4% of the total. The registrants in this group increased by 3% to 16,889 (1999: 16,412). Those in the age group of 15 -19 years, the second largest group, registered a decline of 25.7% to 7,866 persons (1999: 10,586) while 20.1% or 7,321 job-seekers were those already in employment but seeking better job opportunities.

In view of the importance of **skill training** in producing more productive workers, the Government continued to upgrade its skill training programmes. Allocation for apprenticeship schemes under the Human Resource Development Council was increased from RM15 million to RM35 million this year, following higher demand for trained workers. Since 1997, a total of 2,719 persons were trained under various schemes, namely Mechatronics (883), Hotel Industry (1,716), Tool and Die Machining (24) and Industrial Machining (96). However, a mismatch in the type, quantity and quality of labour supplied with those demanded by the market is still prevalent in the economy. Local universities, for instance, were producing about 2,000 engineers last year while industries require between 8,000 to 10,000, particularly in ICT–related areas.

Technological changes and the emergence of knowledge-driven enterprises and high technology industries require new skills that could not be immediately met by the existing training and educational institutes. In line with the shift towards K-economy and greater automation, employers require workers who are skilled, innovative and creative while easily adaptable to rapidly evolving industrial processes and technologies. Hence, training and retraining will be enhanced. In the move to further increase the number of professionals, the Government will increase higher education opportunities for the 17–23 age group from the present participation rate of 22% to 55% by 2020. In addition, the Government is preparing a strategic masterplan in the move towards K-economy.

In line with the economic recovery, the total number of **retrenched workers** declined by 39.2% to 14,617 persons in the first seven months of 2000 (1999: 24,036 persons), of which 14.4% were foreign workers. Penang recorded the highest number of retrenchments with 5,021 workers being laid off in the period, followed by Selangor and Kuala Lumpur with 3,964 workers retrenched. The majority of retrenchments, that is, 7,893 workers or 54% occurred in the manufacturing

Table 7.5

Malaysia: Comparison of Active Registrants and New Vacancies by State

(January—July)

	Active Registrants[1]			New Vacancies		
	July 1999	July 2000	Annual Growth Rate (%)	July 1999	July 2000	Annual Growth Rate (%)
Perlis	636	710	11.6	262	131	-50.0
Kedah	3,237	2,998	-7.4	1,775	1,565	-11.8
Pulau Pinang	1,395	1,322	-5.2	3,703	5,423	46.4
Perak	2,211	1,898	-14.2	1,759	1,955	11.1
Selangor	2,823	2,169	-23.2	5,407	4,915	-9.1
Negeri Sembilan	1,772	1,740	-1.8	1,391	1,803	29.6
Melaka	620	508	-18.1	516	554	7.4
Johor	2,824	2,683	-4.9	4,872	5,110	4.9
Pahang	2,509	3,000	19.6	1,849	1,752	-5.2
Terengganu	3,284	2,912	-11.3	2,107	2,749	30.4
Kelantan	1,652	1,493	-9.6	1,179	2,496	111.7
Wilayah Persekutuan	6,797	7,370	8.4	1,408	2,040	44.9
Sabah	4,148	4,466	7.7	1,614	1,989	23.2
Sarawak	3,407	3,111	-8.7	29,372	37,287	26.9
Total	**37,315**	**36,380**	**-2.5**	**57,214**	**69,769**	**21.9**

[1] Cumulative figures.

Source: Ministry of Human Resources.

sector mainly in the wood-based products, fabricated metal, machinery and equipment sub-sectors. The retrenchments were mainly due to closures of companies as well as restructuring of companies.

In an environment of excess capacity in the economy, **wage** pressures in the labour market remained subdued in 2000. There were 107 collective wage agreements signed in the first six months of 2000, covering 16,381 workers (1999: 268; 133,006 workers). Average wages in the commercial and manufacturing sectors showed increases of 4.8% and 7.9%, respectively (1999: 5% and 7%), as shown in *Table 7.6*. In terms of productivity, the survey on the manufacturing sector in July 2000 indicated an increase of 19.3% as compared with a decline of 14.2% in the corresponding period of 1999. In the public sector, the Government provided a 10% salary increase for civil servants including pensioners. In addition, the Government also increased housing allowances by 50% for selected categories of civil servants.

Labour unrest, as reflected by the number of strikes, increased marginally to eight cases during the first seven months of 2000 (1999: 7) involving 2,580 workers (1999: 2,459 workers). The strikes occurred in the agriculture, manufacturing and construction sectors. In the agriculture sector, two cases involving 104 workers were recorded (1999: 5 ; 1,283 workers). Five cases were recorded in the manufacturing sector involving 3,770 workers (1999: 6 ; 2,169 workers). A total of 5,073 man-days were lost as a result of these strikes (1999: 8,569 man-days). The strikes were mainly attributed to disputes and dissatisfactions over terms and conditions of employment, dismissals and retrenchments.

Foreign labour remained significant in the labour market. As the agriculture, construction and

Table 7.6

Malaysia: Private Sector Wage Agreements

	No. of Wage Agreements		No. of Workers' Involved		Average Wage Increases (%)	
	1999	2000[1]	1999	2000[1]	1999	2000[1]
Manufacturing	134	64	27,596	8,752	7.0	7.9
Commerce	30	15	3,452	1,347	5.0	4.8
Transport	31	6	4,989	634	10.0	5.6
Services	17	7	10,054	2,923	9.0	4.5
Agriculture	30	8	54,231	2,064	12.0	11.5
Mining	6	1	524	147	6.0	7
Electricity	8	0	31,116	0	5.0	0
Construction	2	0	88	0	8.0	0
Others	10	6	956	514	8.0	9.6
Total	**268**	**107**	**133,006**	**16,381**	**7.8**	**5.2**

[1] January-June.

Source : Ministry of Human Resources.

manufacturing sectors continued to face labour constraints, the Government approved the recruitment of 150,000 new foreign workers in 2000 to ensure that business expansion was not affected by labour shortages. These new approvals, however, were 53.1% lower compared with the previous year (1999: 320,000 persons). In terms of the total, the number of registered foreign workers increased by 4.2% to 726,159 workers (1999: 697,219 workers). The number of foreign workers employed in the manufacturing sector remained high, increasing by 9.2% to 240,558 workers, accounting for 33.1% of the total foreign workforce (1999 : 211,694 workers). On the other hand, foreign workers in the agriculture sector declined by 7.5% to 185,915 persons (1999: 200,946 persons) while in the construction sector, it increased by 3.1% to 78,902 persons (1999: 76,499 persons). Indonesians accounted for the largest number of foreign workers with 530,218 workers, followed by workers from Bangladesh (140,363), Philippines (26,685), Pakistan (3,530), Thailand (2,993) while 22,370 were from other countries.

In order to preserve certain job opportunities for local citizens, the Government has identified 136 jobs that are not allowed to be filled by foreign workers. Such jobs include artists and musicians, earth plant operators, travel agency executives, paramedic workers, wiremen, fitters, welders and mechanical engineers.