

Raise wages, profitable companies told

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By ESTHER NG

PETALING JAYA: Companies which continue to make huge profits during the current economic slowdown must be willing to give their employees reasonable wage increases, MTUC president Zainal Rampak said.

Reminding such companies of their responsibility towards the workers, he said they should discuss the issue with the workers' unions before making any decision.

"Increasing the workers' wages will create better purchasing power which, in turn, will help strengthen the country's economy," he said.

He was speaking to reporters after attending the opening of the International Metalworkers' Federation South-East Asia regional office in Bandar Sunway here yesterday.

The office was opened by the federation's general-secretary Marcello Malentacchi.

Asked to comment on

Prime Minister Datuk Seri Dr Mahathir Mohamad's statement on Saturday which praised the country's trade unions and the workforce for their understanding during the present economic problems, Zainal said:

"I thank the Government for believing in the workers' movement."

He said that, unlike many other countries, Malaysia had not seen nationwide strikes by workers for more than three decades because disputes were generally settled at meetings or through the Industrial Court.

Zainal also said the proposed national retrenchment scheme was expected to be discussed by the National Labour Advisory Council on July 23.

Under the proposal, which is intended to be a "safety net" for workers facing the risk of retrenchment, employers and their staff are required to make monthly contributions of RM1 each, he said.

He said money from this fund could be used to pay workers their compensation or retrenchment benefits if the employer became bankrupt.

The federation, with its headquarters in Geneva, was founded in 1893 and represents the collective interests of over 20 million members of 180 unions in 95 countries.