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Wages-Minimum

MINIMUM WAGE: RIGHT TIME SAYS MTUC, OUTDATED SAYS MINISTRY

KULIM, March 21 (Bernama) -- Deputy Human Resources Minister Dr Abdul Latif Ahmad today described the MTUC's demand for a national minimum wage policy as outdated, but the labour body issued a fresh statement saying now is the right time to implement it.

Dr Latif said the ministry's stand was that wages should include a "basic monthly component" as well as a "variable component based on productivity".

That was why the government declined to ratify the International Labour Organisation Convention on Minimum Wages, he told a news conference after presenting awards to Intel Malaysia's outstanding employees at its plant in Kulim High Technology Park.

Dr Latif was commenting on MTUC president Zainal Rampak's statement criticising International Trade and Industry Minister Datuk Seri Rafidah Aziz for opposing the congress' call for a minimum salary of RM1,200 per month for workers.

Rafidah had said over the weekend that salaries in Malaysia should be based on productivity and not on the principle of a minimum wage.

Zainal today said that with the economy well on the road to recovery, the time was now right for Malaysia to have a national minimum wage policy.

He said MTUC officials met Prime Minister Datuk Seri Dr Mahathir Mahathir Mohamad twice last year and was assured that the government would consider introducing a monthly minimum wage of RM1,200 as soon as the economy recovered.

He said in a statement that the MTUC had consistently been urging the government to implement a national minimum wage as an honour to workers for their contributions after 43 years of national independence and development.

Zainal said the MTUC officials met Dr Mahathir on Aug 7 and again on Oct 23 last year to remind him of his promise to the workers and was told during the second meeting that the government was still studying the proposal.

According to Zainal, Malaysian workers' productivity had been recognised overseas, even by Japanese employers.

"Representatives of the Japan Federation of Employers' Association (NIKKEIREN) have spoken highly of Malaysian workers' productivity. They said that our workers can be trained easily and general literacy levels are high in Malaysia.

"Our workers are second to none in the Asia-Pacific region when it comes to productivity. They are on par, if not better than, even some of the developed nations in Europe," he added.

Zainal rejected the notion that such a policy would affect the country's competitiveness.

On the contrary, he said, national competitiveness would be enhanced as workers would be motivated to work harder while higher earnings would bring about more spin-off effects.

"Workers will purchase more goods and services and this will further spur economic growth, a win-win situation for all parties concerned," said Zainal.

He also said such a policy would also augur well for the government's objective of creating a caring society, adding that a minimum wage of RM1,200 at prevailing living costs was not a tall order that employers

could not possibly meet to enable their workers to maintain at least basic living standards.

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