

Minimum Wage Must Be Accompanied By Structural Reforms

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Malaysians have high expectations of Prime Minister Najib Tun Razak announcing the long-awaited minimum monthly wage of RM1,100 (inclusive of allowances) on May Day. Even though the Prime Minister was forced to do so to counter Pakatan Rakyat's demands to face the coming general elections, DAP would welcome any announcement by the Prime Minister of RM 1,100 monthly minimum wage, inclusive of allowances.

However the minimum wage alone will not bring about a higher standard of living nor economic growth but may instead bring about inflation. To bring about economic prosperity and a higher standard of living requires a RM 1,100 minimum wage to be accompanied by the 3 measures of accelerated structural reforms in our economy, create more higher productivity jobs, and increasing women participation in the workforce.

Malaysian is in sore need of structural economic reforms to make us more competitive, transparent, efficient as well as reduce leakages caused by wastage and corruption. Structural economic reforms such as open competitive tenders, full disclosure of contracts and personal assets of Ministers as well as a performance-based delivery system must be carried out.

Creating more higher productivity jobs depends on how excellent our education system is and its ability to build more human talents. The denial syndrome by Education Minister Muhyiddin Yassin that Malaysian education system is in crisis is only surpassed by his false sense of hubris that our education system is superior to Germany, United Kingdom and United States. Unless we can inject merit and performance back into our education system, Malaysia risks being left behind by neighbouring countries such as Thailand, Indonesia and Vietnam

Increasing women participation in the work force may be facilitated by a minimum wage. However, expanding and deepening women's participation to higher levels of expertise can only be achieved when there is no gender discrimination in salaries and promotion opportunities.

Malaysians hope that the Prime Minister will not disappoint them and take the first step of announcing the minimum wage on 1 May 2012 before undertaking the 3 above measures.

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