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PM: Minimum wage to be thought out carefully

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KUALA LUMPUR: The government is studying a minimum wage but does not want to be hasty in introducing it.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said the Economic Planning Unit was considering a mandatory minimum wage for workers.

"We have no reason to delay it unnecessarily. But this has to be carefully thought through, not something to be done on a whim.

"We (in the government) are not politicians making populist announcements. We are a responsible government. We manage our finances well and we want the nation to succeed," he said after addressing a Workers' Day gathering here.

Abdullah said the government would implement a minimum

wage policy if it felt it was good for the country.

"If it is good, of course, we will do it. If we have doubts about introducing it now, we won't."

Abdullah said this when told about a planned protest by the Malaysian Trades Union Congress (MTUC) outside Parliament House on Wednesday.

Penang MTUC secretary K. Veeriah said the umbrella body wanted to express its disapproval over the government's alleged silence over a memorandum submitted two years ago.

The main demand in the memorandum was a minimum monthly basic wage of RM900 for workers. The figure has reportedly risen to RM1,200.

Yesterday, Abdullah said the MTUC gave the impression that the government was ignoring its call for a minimum wage.

"We have to seek the views of

many people. This is important to me. But they should understand they can have 100 demonstrations, but if we can't implement it, we can't.

"It is as simple as that. If we can give, we give. I would like to make people happy. If I can do this by giving them more money, I will."

Abdullah said a minimum wage would have an inflationary effect on goods and services.

"If we increase pay, prices of goods will go up. What is the point of increasing pay if prices go up?"

Earlier, in his Workers' Day address, the prime minister said the government would delay low priority projects in order to shift resources to ensure ample food supplies.

He said RM4 billion had been set aside to increase food stocks.

"The government has restructured the allocations for less urgent projects which can be de-

layed. I have to explain this to the people who should know about it. However, people-centred projects will go on."

He said if the government did not provide a large allocation for food, the people would face rising prices made worse by insufficient supplies.

Abdullah said this was the reason for the government's decision to set up a food stockpile.

"It is not only for rice but also for other goods needed by the people, regardless of whether they are poor or rich, from the urban area or rural area."

Touching on the subject at the press conference later, Abdullah urged the public to use abandoned land for agricultural purposes.

"Such land can be utilised to produce food. Every effort must be made to ensure productive use of such land."