

Pay workers better if you make more profits, says Dr M

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KUALA LUMPUR: Companies should pay their workers better salaries if their businesses are making profits, Tun Dr Mahathir Mohamad said. In his keynote address at the annual Invest Malaysia 2019 (IMKL2019) forum, the prime minister said it is not fair if the pay for top management keeps increasing while workers' wages remain stagnant or rise marginally.

"We don't want a thoroughly unequal society where capital owners take too much a chunk of national income, leaving the workers or low-income households with scraps.

"So, I urge all of you, to have a stakeholder mindset. Pay your workers better if you make more profits. We noticed that the pay for CEOs has been increasing multiple folds, but workers' wages had been slow on the rise if not stagnant. This is not right," Dr Mahathir told the audience of more than 2,000 local and foreign fund managers and corporate leaders.

He said while economic growth and institutions matter, the benefits to the people is equally important.

"Shared prosperity means that everyone benefits and such a situation is conducive for growth and stability. We cannot have one group succeeding, dominating or monopolising everything, while others lag behind.

"The gap between the haves and have-nots must be narrowed. If disparity is left unchecked, it will create tension and hostility, and eventually lead to confrontations," Dr Mahathir added.

The two-day IMKL2019 is co-hosted by Bursa Malaysia and Malayan Banking Bhd.