

PMX's Labour Day message

Workers deserve more

LABOUR may not have been this expectant on May 1 any year before. This Labour Day, Malaysian workers, especially civil servants, were agog with expectations. After all, Prime Minister Datuk Seri Anwar Ibrahim had promised a salary review for civil servants this year in his Labour Day speech last year. Since then, he has assured them the best of all salary reviews. Yesterday, addressing the nation's expectant workers, he kept to his word. More than 13 per cent in salary revision — among the highest in history — to be paid out beginning Dec 1. The last salary revision was done 12 years ago. This year's salary review will cost the government RM10 billion, he said in his Labour Day speech in Putrajaya. Big money for a country with debt and deficit very much on its mind. But Anwar is right, the diligent and disciplined deserve it. A dozen years on a minimum salary and allowance of RM1,750 is a bit of a stretch. It must be increased to more than RM2,000, he said. Judging from the applause he received after the announcement, civil servants were jubilant. The reason isn't hard to detect. It has been a tough year for Malaysians. Cost of living has been eating into their take-home pay. And the ringgit, battered by foreign exchange pressures, is a shrunk variant of a once robust currency.

Equity demands that the beneficiaries of Anwar's good

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news must not only be the civil servants. Private sector workers, too, must be given better wages and allowances. If salary review must be divided into two parts, this was the second part of Anwar's message. The government, of course, can't do this by fiat, but he was clear in urging the merchants of thriving commerce to do likewise. There are certainly

good reasons for them to do so. Profits of many companies are up. The Malaysian labour market is also becoming very competitive. The global salary trend, too, is on the rise. Companies that are not alert to these market conditions would lose their workers. There is a business case for paying workers more to keep them rather than recruit new ones and pay for their training. Some companies recognise the importance of this and set aside a budget for an annual salary increase. Others, though very few, budget for biannual increase. A Bernama report published on May 7 last year quoting broking and solution company WTW, said 40 per cent of Malaysian companies were considering doing so. The usual reluctance of Malaysian employers to increase wages makes this report read like a hype. But the critical word is "considering". How many of this 40 per cent actually did is not known.

If we read Anwar's speech right, capitalism is good to the extent it gives labour what is due to it. Labour's story is largely a story of diligence and discipline. No provider of capital worked his factory all by himself. Labour makes his capital work. Diligence and discipline have a price. We call that wages. Progressive companies will put in place people strategies to retain workers. Those who don't will do well by reevaluating theirs. Otherwise, these companies' statement that "human resource is our most valuable asset" makes little sense. Let labour have its day.