

**'No politics involved in process'**

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**By T.N. ALAGESH**

*THOROUGH: Government carried out an in-depth study and looked into various factors before deciding on minimum wage*

KUANTAN: THE minimum wage for the private sector was decided based on recommendations made by a technical committee consisting of experts to the National Wage Consultative Council.

The input did not involve politicians, said Human Resources Minister Datuk Seri Dr S. Subramaniam.

He said apart from local economists, the technical committee consisted of representatives from the World Bank. They conducted an in-depth study before proposing the recommendations to the council.

The council consists of representatives from both workers and employers.

Dr Subramaniam said the minimum wage was decided by the technical committee according to five economic indicators namely cost of living, poverty line index, median range, productivity and unemployment rate.

"The National Wage Consultative Council comprises a chairman, employee and employer representatives, who are free from any political influence.

"The government has ensured that the council is not politically-driven as we do not want people to claim it was merely a political tool. The council is actually an economic tool for the country," he said after attending the National-level civil servants Workers Day celebration here yesterday.

Dr Subramaniam said he was not ruling out the possibility that some irresponsible parties might attempt to politicise the minimum wage issue and blow things out of proportion.

"If they claim RM1,500 should be the minimum wage, I challenge them to implement the scheme in their respective areas. I am sure they will be forced to close down the factories operating there as such statements are only suitable for gaining political mileage.

"While employers want a low wage, employees demand higher minimum salaries with some choosing wages between RM1,200 and RM1,300. However, we have to be realistic. If we set the minimum wage above RM1,000 then it will cause an adverse impact on the country's economy and result in unemployment."

He said although both, employers and employees, had different views on the minimum wage scheme, after taking into consideration various issues raised during the discussions, they came to an agreement.

Speaking on the minimum wage difference between the peninsula and Sabah, Labuan and Sarawak, Dr Subramaniam said the five economic indicators were taken into consideration before deciding on the minimum amount.

"The study conducted by the National Wage Consultative Council revealed that the average minimum wage paid by employers in Sabah and Sarawak currently stands at RM577.

"In fact, the employer representatives from Sabah and Sarawak had requested for a lower minimum wage. However, since the national poverty income line is RM763, we decided to set the minimum wage at RM800."

Present were Menteri Besar Datuk Seri Adnan Yaakob, Deputy Human Resources Minister Datuk Maznah Mazlan and Cuepacs president Datuk Omar Osman.

On Monday, Prime Minister Datuk Seri Najib Razak announced the minimum wage for the private sector had been set at RM900, or RM4.33 an hour, for the peninsula while RM800, or RM3.85 an hour, for Sabah, Labuan and Sarawak.

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