

**Najib says will announce minimum wage this month**  
**The Malaysian Insider**  
**April 2, 2012**  
**By Shannon Teoh**

KUALA LUMPUR, April 2 — Datuk Seri Najib Razak said tonight he will announce a minimum wage policy by the end of the month despite stakeholders still deadlocked over whether benefits can be considered part of a floor wage.

The Malaysian Insider reported today that employers and workers argued in a recent National Wages Consultative Council meeting over whether allowances and other benefits can be included as part of a base wage expected to be set at RM900 and RM800 for Peninsular and East Malaysia respectively.

Bloomberg reported last month that the PM is due to announce a minimum wage of just under RM1,000 a month. — file pic

The committee, which advises the government on wage policy, had met on the back of small-medium industries (SMIs) warning that 80 per cent of active businesses could fold under a blanket floor wage, cutting four million jobs from the labour market.

The prime minister was initially slated to announce a base wage policy last month but The Malaysian Insider understands that pressure from employers has forced the government to return to the negotiating table although any delay will upset trade unions which have said that a minimum wage is long overdue.

“The government has recently announced a pay hike of seven to 13 per cent for 1.4 million civil servants. For the private sector, I will announce the implementation of a minimum wage at the end of the month,” the prime minister said in his live televised address after receiving reports of his national transformation plans.

The Malaysian Insider reported that the 16 mainly Chinese industry associations that called a press conference on March 6 to ask for a staggered implementation of floor wages had first sought out MCA president Datuk Seri Dr Chua Soi Lek for help before lobbying Putrajaya directly.

The Barisan Nasional (BN) government, which has been unable to win back Chinese support so far, has since held several meetings with the associations that are largely made up of SMIs.

Bloomberg reported last month that government officials are preparing for June 3 federal polls and Najib is due to announce a minimum wage of just under RM1,000 a month to win support from low and unskilled labour that makes up 75 per cent of the workforce.

Households earning under RM1,500 per month also make up 40 per cent of the population.

SMIs say they make up 99 per cent of operational companies and employ 59 per cent of all workers as they are the most labour-intensive outfits and will be hardest hit by a hike in wage bills.

They have instead asked for certain sectors and micro-enterprises to be exempted. They also want to be given anywhere between 12 and 18 months to implement a minimum wage.

But labour unions insist that such demands are unreasonable as the minimum wage is to be reviewed every two years.

The Malaysian Insider

Copyright © 2012 The Malaysian Insider

Source: <http://www.themalaysianinsider.com/malaysia/article/najib-says-will-announce-minimum-wage-this-month/>