

Guan Eng: Minimum wage not enough to improve living standards
The Malaysian Insider
April 14, 2012
By Clara Chooi

KUALA LUMPUR, April 14 — Lim Guan Eng told Prime Minister Datuk Seri Najib Razak today that his much-awaited minimum wage policy was insufficient to improve living standards without total reforms to the country's economy, education and workforce policies.

The Penang Chief Minister said the new wage floor of RM1,100, to be announced this April 30, must come hand in hand with higher productivity jobs, increased female participation in the workforce and "accelerated structural reforms" to the economy aimed at reducing corruption and plucking leakages.

However, Lim (picture) added that although the new wage floor to be announced by Najib was purportedly due to opposition pressure, DAP would welcome the announcement.

Malaysians, he added, have "high expectations" of Najib.

"Malaysia is in sore need of structural economic reforms to make us more competitive, transparent, efficient as well as reduce leakages caused by wastage and corruption.

"Structural economic reforms such as open competitive tenders, full disclosure of contracts and personal assets of Ministers as well as a performance-based delivery system must be carried out," he said in his Tamil and Vaisakhi new year message today.

Lim added that to create higher productivity jobs, the country's education system must also undergo reforms to build better human talent.

He again slammed Education Minister Tan Sri Muhyiddin Yassin for the latter's recent claim that Malaysia's education standards were superior to that of the UK's, Germany and US, saying the latter was in "denial syndrome".

"The Malaysian education system is in crisis. Unless we can inject merit and performance back into our education system, Malaysia risks being left behind by neighbouring countries such as Thailand, Indonesia and Vietnam," he said,

On increasing women participation in the workforce, Lim said this could only be achieved if there is no gender discrimination in salaries and promotion opportunities.

The Malaysian Trades Union Congress (MTUC) said on Tuesday that negotiations over a minimum wage policy have ended. Najib will announce the government's decision on April 30.

The umbrella body representing 800,000 workers from 390 labour unions had told a press conference that last month's National Wages Consultative Council meeting was the last round for stakeholders to air their views and it is now up to Putrajaya to decide on a final policy.

"There are no more talks after this. The Attorney-General will look through the legal aspects and the Cabinet will decide," MTUC president Khalid Atan said.

He added that the prime minister is expected to announce the policy in a live television broadcast on the eve of Labour Day.

Najib had said on April 2 he will announce a floor 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 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.

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.

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