

Minimum wage useless without raising competitiveness, says Guan Eng
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By Shannon Teoh

KUALA LUMPUR, May 1 — The DAP warned today that the government's minimum wage policy announced last night will not result in better quality of life without being more competitive, creating high productivity jobs and bringing women into the workforce.

Putrajaya unveiled a monthly base wage of RM900 for the peninsula and RM800 in Sabah and Sarawak with a grace period of six months, or double that for micro-enterprises.

But DAP secretary general Lim Guan Eng (picture) said the move alone "will not bring about a higher standard of living nor economic growth but may instead bring about inflation."

"Economic prosperity and a higher standard of living requires a RM 1,100 minimum wage to be accompanied by measures of accelerated structural reforms," the Penang chief minister said in his May Day speech this morning.

Pakatan Rakyat has pledged to implement a minimum wage of RM1,100 per month if it comes into power.

Lim said Malaysia must also be more competitive, transparent, efficient and reduce wastage and corruption through open competitive tenders, full disclosure of contracts and declaration of assets of by the Cabinet.

The Bagan MP also called for more higher productivity jobs by improving our education system.

"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.

"The denial syndrome by Education Minister Tan Sri Muhyiddin Yassin that Malaysian education system is in crisis is only surpassed by his false sense of hubris that our education system is superior to Germany, United Kingdom and United States," he said referring to the deputy prime minister's recent claim.

He also added that increasing female participation in the work force may be facilitated by a minimum wage but deepening their participation to higher levels of expertise can only be achieved when there is no gender discrimination in salaries and promotion opportunities.

The government began working on a minimum wage policy last year after over a decade of pressure from labour unions during which productivity rose by 6.7 per cent annually but real wages inched up by just 2.6 per cent each year.

The Barisan Nasional (BN) administration has already spent over RM6 billion to raise civil service salaries by up to 13 per cent this year as it prepares to face an election that may be

called by next month.

Datuk Seri Najib Razak's announcement last night follows the increase of minimum wage by around 40 per cent in Thailand last month, part of Yingluck Shinawatra's campaign pledge that helped propel her to win Thai elections last July.

Taiwan's move to increase minimum pay by 5 per cent last year also helped President Ma Ying-jeou win a second term in January.

Vietnam will also raise the floor wage for the public sector by 27 per cent in May after enacting a minimum wage increase of as much as 69 per cent in October for both private and state-owned enterprises.

Thousands of workers are also expected to take to the streets in Hong Kong today, demanding Chief Executive-elect Leung Chun-ying address a widening wealth gap when he takes office in July.

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