

Gov't powerless over COLA in private sector

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KUALA LUMPUR: The Human Resource Ministry said today it was powerless to compel private sector employers to pay their staff a monthly cost of living allowance (COLA) of RM300, saying it was the sole prerogative of employers.

“The implementation of COLA is under the employer’s jurisdiction and the ministry has no power over the matter.

“However, the ministry encourages constructive negotiation between employers and employees so they can come to an agreement that includes a COLA,” Deputy Minister Ismail Abdul Muttalib told the Dewan Rakyat during the question session this morning.

He was responding to Azalina Othman’s (BN-Pengerang) question if the ministry would engage in a dialogue with the Malaysian Employers Federation (MEF) to encourage them to accept the Malaysian Trade Union (MTUC) proposal to pay a COLA of RM300 to private sector employees.

Ismail said the government believed it was more appropriate for the MTUC to immediately have a dialogue with the MEF.

He added that the ministry could step in to mediate talks if the two parties were unable to reach an agreement.

Add COLA to minimum wage

But speaking later at a press conference at the Parliament lobby, Pakatan Rakyat MPs urged the government to introduce a law requiring employers to pay their staff a COLA.

They pointed out only 8% of Malaysian workers, or 1.8 million people, were members of the MTUC, leaving another 92% or 11.3 million workers unprotected and defenceless.

“The government must be responsible for the 92% of workers who are not union members. At the very least, it should add the COLA to the minimum wage,” said Abdullah Sani Abdul Hamid, a PKR lawmaker and vice president of the MTUC.

“The deputy minister talked about the formation of a joint consultative committee between employers and workers to negotiate the COLA, but that is all rhetoric. Not once in history has such a committee been formed,” he stressed.

DAP lawmaker M Kulasegaran said he may table a private member’s bill in parliament on the issue, but noted that, like most bills tabled by the opposition, it would most likely not be discussed in the House.

“We want a win-win situation. Right now, it’s lose-lose, whereby we are getting all sorts of complaints from workers wanting a revision of their salary. We want immediate action,” said the Ipoh Barat MP.

He said if the government was unwilling to compel employers to pay RM300, the figure could still be negotiated.

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