

Retirees and disabled individual

KUCHING: The minimum wage policy which is expected to be implemented next year could be detrimental to people with disabilities and retirees, said Malaysian Employers Federation (MEF) executive director Shamsuddin Bardan.

He pointed out that this group of individuals would become less marketable if employers were given a choice.

“So, if there is no incentives for employers to employ disabled and retirees, then this group of people would be at a disadvantage if the minimum wage policy were to be implemented,” Shamsuddin told the media after chairing a discussion panel at ‘MEF Seminar on National Minimum Wages’ here yesterday. He added that employers could still make an appeal to the government for a grace period of up to three years.

“We are pushing this to the government for consideration as many employers, especially the small ones, would face a daunting task to meet the deadline of the policy.”

Shamsuddin also highlighted the fact that the implementation of minimum wage would benefit foreign workers rather than local ones as the sectors most affected would be the plantation and construction sectors, where most of the workers are foreigners.

“As for local employers, there are still many issues that need to be ironed out, especially allowances which could be considered as part of wages.”

Shamsuddin also cautioned that many companies would close down and relocate to other countries if they could not meet the demands of the new policy.

“Textiles and wood-based

companies could easily move to other countries such as Laos or Vietnam as their minimum wage is far below our country’s proposed minimum wage,” he said, adding that in these two countries, their minimum wage could just be about USD90 (RM270) per month.

Meanwhile, National Minimum Wages Council member and panel member Dato Henry Lau pointed out that generally, he agreed with the proposed minimum wage as it would benefit both parties.

“What it means is that our workers would have better take home income, which is necessary to meet the increasing cost of living.”

Most of the participants were representatives from various employment sectors, ranging from manufacturing to timber industries.