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Bosses to suffer if politicians play to gallery

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KOTA KINABALU: The Malaysian Employers Federation (MEF) warned employers they may have to contend with rising costs due to politicians appeasing workers to deliver the votes in the coming general election.

It cited clamouring for the revision of the current set minimum wage for workers, besides the 90-day maternity leave and 30-day paternity leave.

For Sabah and Sarawak, they also wanted the minimum wage rate to be the same as that stipulated for West Malaysia. It is up to employers how to optimise their labour employment or reduce their foreign labour dependency as foreign worker levy is set to be implemented from 2018, January 1.

The Human Resources Ministry is to announce a new minimum wage in 2018, before Parliament is set to be dissolved. In Malaysia, 98 per cent of employers in 142,151 statutory checks being carried out by the Labour Department had complied with the current Minimum Wages Order.

He said pressure is mounting across the political divide as promoting a much higher minimum wage which is an easy low hanging fruit for politicians to pick and win over workers' hearts and minds easily than to protect the employers' business viability and survivability that create and ensure jobs.

The minimum wage was first set at RM900 for West Malaysia and RM800 for East Malaysia. In 2016, minimum wage was revised to RM1,000 for West Malaysia and RM920 for East Malaysia.

Shamsuddin is a panel member of the National Wage Consultative Council that is also tasked with reviewing the minimum wage every two years, representing employers whose businesses are besieged by rising cost of doing business from GST, imposing of levy for foreign workers, rising wages, and the pending Employment Insurance System (EIS), etc.

He urged the Sabah Employers Association (SEA) to recruit more members to join as MEF members as the 'representative' of Sabah employers to be more effective in voicing out and protecting their collective interests.

"Number counts to impress upon the Government," he said, and SEA has to ensure it represents the "majority of employers in Sabah".

According to Federation of Sabah Industries (FSI) President Datuk Mohd Basri, "FSI together with several Sabah trade associations have come together to create a new platform for Sabah employers. Sabah Employers Association (SEA) was registered under Registrar of Societies on August 25, 2016.

"SEA formation could not have been more timely given the industry's concerns with various issues of foreign labour, minimum wages and changes in labour policies, rules and regulations."

Shamsuddin said SEA should get all Sabah trade associations to join SEA as well being a member of MEF.

"The immediate task ahead for SEA is to determine total numbers of employees represented from its new member recruitment drive."

Having done those, Shamsuddin suggested meeting with Sabah Employers Consultative Association (SECA), which is the current Sabah employers association. Shamsuddin suggested SECA to join SEA.

To attract more domestic and foreign investors, Shamsuddin said, "There is a need to synchronise and rationalise all employment laws that have differing provisions as seen in the Employment Act 1995, Sabah Labour Ordinance Chapter 67, and Sarawak Labour Ordinance Chapter 76."

Short of having a uniformed labour law between West and East Malaysia, differences in employment laws may confuse investors who have to take into consideration the human resource management aspect of their plans whether or not to set up shop in a particular location or state in Malaysia, he said, when asked by Daily Express if such differences matter.