

## Employers federation pans Rafizi Ramli's mandatory salary hike idea

By Surin Murugiah / [theedgemalaysia.com](https://theedgemalaysia.com)

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KUALA LUMPUR (July 13): The Malaysian Employers Federation (MEF) has taken to task Economy Minister Rafizi Ramli over the government's plan to unveil a progressive wage model (PWM) that could entail making annual salary increments mandatory.

On July 11, the Pandan member of Parliament (MP) was reported as saying that his ministry would present to the government the policy paper for a progressive wage model in early August.

In a statement on Thursday (July 13), MEF president Datuk Dr Syed Hussain Syed Husman said the federation was shocked that Rafizi Ramli was speaking and acting on wages.

He said that it should be under the purview of the Minister of Human Resources.

“Economy Minister should be sharing with businesses and the *rakyat* on plans to improve the economy, thereby raising the standard of living of the nation and its citizens.

“Thus far, MEF has yet to see any such concrete plans from the Minister of Economy that are really focused and formalised that would be able to improve the country’s economy, thereby raising the standard of living of the nation and its citizens,” he said.

Syed Hussain added that MEF wondered what this plan is when industry has not been involved in detailed discussion of this plan.

“Industry is the user, and most concerned if plans are done without industries being consulted and involved.

“At the same time, the government needs to provide clear mapping on how higher productivity improves profits for businesses.

“Consumers should also enjoy better standards and quality on products and services at affordable prices,” he said.

Syed Hussain said that for PWM to be implemented successfully, it is important to get the buy-in from all stakeholders.

“PWM needs to be premised on clear parameters, and terms and conditions for its implementation.

“It is important to note that PWM is not all about trying to fix wages for employees to be paid a salary that will commensurate with their work.

“If the government intends to make increment mandatory, the government should give the grants or allocation for topping up to meet the government’s determined salaries,” he said.