

Private firms not forced to offer Cola

JOHOR BARU, Mon. — Employers in the private sector are not compelled to follow the Government's move to offer Cost of Living Allowance (Cola) to civil servants.

Malaysian Employers Federation executive director Shamsuddin Bardan said this was because the private and public sectors practised different systems of salary review.

He said salaries in the private sector were usually reviewed annually, while those in the public sector was reviewed every five years.

"The impact of a high living cost on employees in the private sector is usually absorbed at the end of the year after the salary review," he said today.

Shamsuddin said introducing Cola in the private sector would have a big impact as the sector had five million employees.