

# MTUC seeks pay rise, allowance for workers

**KUALA LUMPUR:** Private sector employers have been urged to give their workers a salary increase or cost of living allowance in view of the higher price of petrol and diesel.

Secretary-general of the Malaysian Trades Union Congress G. Rajasegaran proposed that salaries be raised by up to 15 per cent.

He said food would cost more and even schoolbus fares would go up because the government had increased operating costs by raising the price of fuel.

Rajasegaran said instead of giving cash rebates to motorists, which had caused confusion, the government should have abolished the road tax or other taxes.

Malaysian Employers' Federation executive director Shamsuddin Bardan said although he welcomed the rebates, he feared they could add to bureaucracy and red tape compared with the previous system of subsidy which was given at the pump.

He said the federation was concerned over the negative impact of the fuel price hike on the competitiveness of businesses and employers.

Shamsuddin said in the transport industry, there would be an increase in fares and transport charges, abandoning of unprofitable routes and companies closing shop.

"Some employers may downsize, leading to retrenchment."