

Back minimum wage policy, Subra urges employers

KUALA LUMPUR: Employers should back the government's proposed minimum wage policy to ensure its smooth implementation hopefully by next year, said Human Resources Minister Datuk Dr S. Subramaniam.

He said employers should not be worried or regard the policy as hampering business.

"Our intention is not to burden the employers. We are only going to set a minimum level in terms of salary, and it is up to the employers to pay whatever amount beyond that level to their employees," he told reporters here.

On Saturday, Dr Subramaniam was quoted saying that the minimum wage model would be across the board for all sectors but it would vary regionally.

Despite the Governments assurance that the minimum wage policy would not adversely affect the industry, the Malaysian Employers Federation is sticking to its stand that the policy would hurt local businesses and workers as it tends to benefit low-skilled and low-income foreign workers.

MEF executive director Shamsuddin Bardan was quoted as saying that the way to push for higher-income levels was not by basing it on a minimum wage but by increasing employee productivity and performance.

Dr Subramaniam said his ministry was still gathering feedback from various quarters to ensure that the policy on minimum wage would be well consolidated.

The minister is expected to table a paper on minimum wage to the Cabinet by next month.

He said the minimum wage policy was necessary as the salary structure in many sectors had not changed drastically over the years despite rising prices of goods.

"Salaries must commensurate with the increase in the price of goods and the higher standard of living," he said, adding that the cost of living had escalated over the years.

However, he stressed that the increase in salaries should be in tandem with increase in productivity. — Bernama