

MEF says 'NO' to RM300 Cola

> Employers lament being already financially burdened

KUALA LUMPUR: Employers have rejected the Malaysian Trades Union Congress' (MTUC) proposed RM300 cost of living allowance (Cola) for private sector workers.

Malaysian Employers Federation (MEF) executive director Datuk Shamsuddin Bardan said this is because employers are already burdened with:

- ▶ the earlier Cola proposal during Tun Abdul Razak's time as prime minister when it was absorbed into workers' basic salary with them finally being short-changed into contributing towards overtime, Employees Provident Fund; and
- ▶ having to review the basic salary from time to time or yearly increment/adjustments, which include the cost of living allowance.

"This is not all, as since 2012, employers are burdened with having to contribute an additional 1% as EPF contribution for workers earning up to RM5,000 salary, having to pay the minimum wage of RM900, being burdened with the electricity tariff increase and also having to retain all those earning high salaries till the age of 60. All this was already posing a big challenge for employers."

"I don't think they can afford another payout as Cola," he said.

Shamsuddin said the proposal by MTUC would put employers in difficulty by absorbing further costs.

On Sunday, after chairing the MTUC general council meeting, its president Mohd Khalid Atan told *theSun* that they would propose a monthly RM300 Cola for private sector employees in the face of rising costs.

A memorandum on the matter will be submitted to Prime Minister Datuk Seri Najib Abdul Razak and Human Resources Minister Datuk Seri Richard Riot Jaem soon.