Employers against bearing hike in minimum wage

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Malaysian Employers Federation executive director Shamsuddin Bardan says Pakatan Harapan promised to help employers by subsidising 50% of any increase in minimum wage.

Malaysian Employers Federation executive director Shamsuddin Bardan. (Bernama pic)

KUALA LUMPUR: Malaysian Employers Federation executive director Shamsuddin Bardan has said it is unfair for employers to bear the burden of any increase in wages.

“In its manifesto in the election, the Pakatan Harapan (PH) government promised to help employers by subsidising 50% of any increase in the minimum wage.

“But now the government says it does not have the money to pay the subsidy.

“The question is whether it is fair for employers to bear 100% of the increase in wages when the government itself promised to provide the subsidy,” he said.

The minimum wage rate of RM1,500, expected to be gazetted this month, has received mixed reactions from different organisations within the country.

Malaysian Trades Union Congress (MTUC) president Abdul Halim Mansor said the organisation fully supported the increase in minimum wage over the next five years, provided there was no pressure on any parties, especially employers.

“MTUC is still fighting to raise the minimum wage rate for employees to no less than RM1,500.
“We made a decision on this through surveys conducted with the National Wage Legislative Technical Committee and discussions at the MTUC Delegates Conference.

“It covers a number of aspects, including that the minimum wage should be implemented only for local workers in all sectors.

“The wage rate must be effective and in line with job responsibilities,” he said when contacted by Bernama.

In a recent question-and-answer session at the Dewan Rakyat, Human Resources Minister M Kulasegaran said the new minimum wage rate was in line with PH’s promise in the May 9 election, with a review every two years.