

New law to decide, standardise wage structure

PURAJAYA: The Ministry of Human Resources will table the National Wage Consultative Council Bill to replace the Salary Determination Council Act 1947 at the parliament session before June next year, said its minister Datuk Dr S. Subramaniam.

He said the bill aimed to coordinate and determine the minimum wage for private sector workers in the country and to create a council to determine an appropriate minimum wage for

workers according to the respective sectors and areas.

"The act will empower the ministry and council to undertake whatever is necessary to determine and standardise the wage structure in the country," he said at a media conference after dropping by at the Minimum Wage Laboratory yesterday.

He said the laboratory, which is being held from last Monday to Feb 14, would detail the role and scope of

the council in line with the government aspiration to raise the minimum pay for workers according to the country's progress.

Besides the eight experts from the World Bank, members of the Senate, Dewan Rakyat, state executive councilors, representatives of workers' unions, employers' representatives, non-governmental organisations, and academicians were also invited to give their views.

According to a World Bank study, the salary trend in this country rose only 2.6% annually during the last 10 years, although the cost of living in the country continued to rise.

Subramaniam said the Human Resources Ministry study in 2009 which covered 1.3 million workers in the country showed that 33.8% of them received a salary of less than RM700 per month, which was below the poverty line of RM720 per month.

He said the salary of workers in the manufacturing sector, for example the electrical and electronic industries, was RM500-RM550, textiles RM500-RM600, furniture RM550-RM700, plastics RM550-RM650 and rubber gloves RM500-RM650.

As such the standardisation and determination of a new pay structure must be carried out to ensure the workers did not lag behind as the country progressed, he said. — Bernama