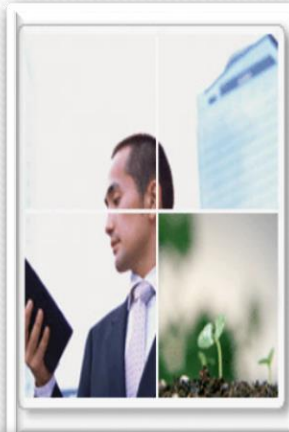




MINISTRY OF HUMAN RESOURCES MALAYSIA

THE MINIMUM WAGES POLICY



**Minimum Wages
Integrated Nationwide Clinics**

**Kuching, Sarawak
24 February 2014**

COMMITMENT BY MINISTER OF HUMAN RESOURCES

**‘Minimum Wages is here to stay for good and
there is no turning back’.**

by,
YB Dato’ Sri Richard Riot Anak Jaem,
Minister of Human Resources

Date : 25 June 2013

WHAT IS MINIMUM WAGES?

Minimum Wages is BASIC WAGES, excluding any allowances and other payments.

MINIMUM WAGES ORDER 2012

<p>1</p> <p>Commencement Date: 1 January 2013 – 6 employees & above and Under MASCO</p>	<p>2</p> <p>Commencement Date: 1 July 2013 – 5 employees & below</p>	<p>3</p> <p>Application for Deferment</p>
<p>4</p> <p>Non-application to Domestic Servant</p>	<p>5</p> <p>MW Rate: Monthly: RM900/ 800 Hourly: RM4.33/ 3.85</p>	<p>6</p> <p>Reduced rate for Probationers</p>
<p>7</p> <p>Negotiation for restructuring of wages before commencement date</p>	<p>8</p> <p>Revocation of Orders made under Wages Council Act 1947 (Act 195)</p>	<p>9</p> <p>Wages Council Orders under Act 195 continue to apply until the Order under Act 732 comes into operation (eg. For Security Guards)</p>

CONCESSIONS FROM GOVERNMENT

- **Deferments**
- **Restructuring of Wages in the Order**
- **Extension of Deferment Application date to 30th June 2013**
- **Blanket Deferment for SMEs (for foreign Workers only) till end Dec. 2013**
- **Foreign workers levy can be deducted**
- **Deduction for Cost of Accommodation**
- **2014 BUDGET SPEECH – Double Tax Deduction**
- **Repackaging of Financing for SMEs**
- **Enhancing Dissemination of Information on MWs**

LATEST DEVELOPMENTS

- Full enforcement started on 1.1.2014 to all employers
- Minimum Wages Portal launched on 3 December 2013 (www.minimumwages.gov.my)
- MIDA exit policy for foreign labour intensive industries (9 Sept 2013)
- Minimum Wages Clinics

CHALLENGES IN MINIMUM WAGES

- Present MWs Rate too low!
- Separate MWs for Foreign Workers.
- MWs in SMEs / Micro-enterprises.
- MWs for workers in Places of Worship / Welfare Homes, etc.
- MWs for PWDs & Elderly workers.
- No Probation period for Foreign Workers – JKKPA-PATI.
- Same MWs rate throughout the country!

REVIEW OF MINIMUM WAGES ORDER 2012

- Act 732 mandates MWO to be reviewed **ONCE IN EVERY 2 YEARS.**
 - In 2014 MWO 2012 to be reviewed for a new MWO effective in 2015
 - Review of the MWs Rate, coverage, date of enforcement, etc....

Parties are urged to submit Views, Inputs and Recommendations, together with supporting data / reports to -

Secretary ,
National Wages Consultative Council,
Level 7, Block D3, Complex D, 62530, Putrajaya,
Email address : minimumwages@mohr.gov.my

before 30 April 2014

