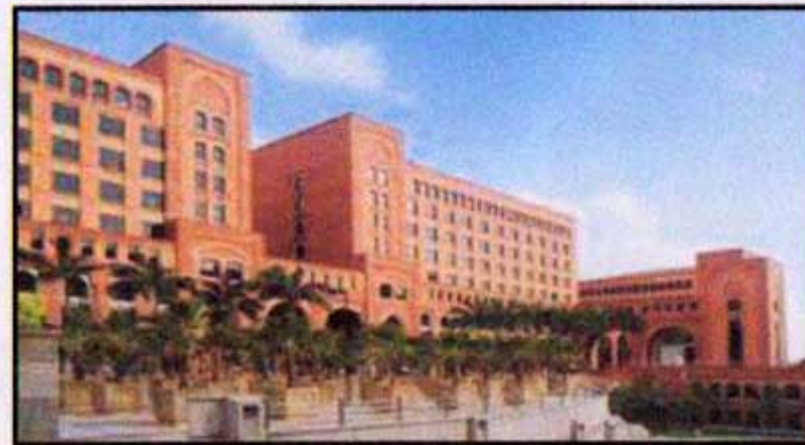




Ministry of Human Resources



MINIMUM WAGES POLICY



Friday, March 19, 2013
Putrajaya

PROGRESS OF MINIMUM WAGES POLICY

Enactment of the Act

- National Wages Consultative Council Act was gazetted on 15 September 2011.

National Wages Consultative Council

- establish NWCC on 28 September 2011.
- NWCC comprises of employer, employee, government agencies and others' representatives
- currently, NWCC comprises 26/29 members

PM announcement

- made on 30 April 2012.
- on the commencement date, rates, coverage and restructuring of wages

PROGRESS OF MINIMUM WAGES POLICY

Minimum Wages Order

- gazetted 16 July 2012.
- 6 employees and above shall implement on the 1 January 2013.
- 5 employees and below shall implement on the 1 July 2013.

Application for Deferment

- closing date was on the 2 October 2012 for 6 employees and above.
- closing date will be on the 1 April 2013 for 5 employees and below.
- 4112 applied/ 635 approved.

Appeal and Responses

- NWCC still receives appeal.
- appeals mainly confined to foreign workers and *en bloc*
- NWCC deliberated the appeals and decided deferral should be on individual merit basis.

GOVERNMENT DECISIONS ON DEFERMENT FOR FOREIGN WORKERS

Malaysian workers

- **NO deferment** for Malaysian workers.
- minimum wages apply as stipulated in the Minimum Wages Order 2012

Small and Medium Enterprises (SMEs)

- blanket deferment **for foreign workers until 31 December 2013**
- **NO** salary deductions for levy, accommodation and / or for any other benefits

Non-SMEs

- may make **individual deferment applications** to the Council **before 30 June 2013**

GOVERNMENT DECISIONS ON DEDUCTIONS

Levy

- Employers that have implemented minimum wages are allowed to deduct the actual amount of levy on a prorated monthly basis .
- The deductions is allowed without any applications but need to notify the nearest Labour Office via email or letter.

Accommodation

- Employers that have implemented minimum wages are allowed to deduct not exceeding RM50 per month per person without any applications but need to notify the nearest Labour Office via email or letter.
- In special circumstances, based on individual merits, the Labour Department may consider applications for cost of accommodation, exceeding RM50 a month for each foreign worker.

MOVING FORWARD

