



**Statutory Minimum
Wages - Why Pay
Raise is Important?**

**法定最低工资 -
为什么加薪很重要**

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CCS Insights

Statutory Minimum Wages

法定最低工资

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Statutory Minimum Wages



- Malaysia implemented a minimum wage regime in 2013, affecting all workers except domestic workers.
- The Government makes the ultimate determination on the minimum wage rate based on the National Wage Consultative Council's suggestion and engagement with relevant stakeholders around the country.
- The Council provides a set of criteria and formulae for determining the minimum wage rate revision.
- The Government may accept or reject the Council's recommendations.

Statutory Minimum Wages



- According to the National Wages Consultative Council Act 2011 (Act 732), the Council shall, at least once every two years, review the minimum wages order.
- The last review was carried out in 2020. The Minimum Wage Order [P.U. (A) 5 - 2020] came into effect on Feb 1, 2020, Malaysia's minimum wage was increased to RM1,200 from RM1,100 across the country's 56 cities and towns. However, the minimum wage of RM\$1,100 remains in effect for regions outside the 56 designated locations.
- In November last year, Deputy Human Resources Minister Datuk Awang Hashim stated that the review conducted by the Human Resources Ministry through the National Wages Consultative Council was scheduled to be concluded in the fourth quarter of 2021 and be presented in early 2022.



Statutory Minimum Wages



- As the country's economy was still recovering from the crisis caused by the Covid 19 pandemic, most of the employers incurred heavily on personal protective equipment and medical expenses during this period.
- Not to forget, some of them were forced to spend heavily on improving their employees' housing to comply with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.
- To make matters worse, many employers also suffered from flooding at the end of the year.
- As a result, increasing the minimum wage during this period could be "tricky" and put heavy and tremendous pressure on the employers.

Why Pay Raise is Important?



- Employees are compensated with a salary or compensation in exchange for performing their job tasks. The exact amount of pay is determined by various factors, including market rates, the employee's previous experience, their knowledge, competence and skill set, and their potential for advancement.
- In general, salary increases are usually granted for a variety of reasons:
 - ✓ To recognize an increase in competence or skill
 - ✓ As a means of compensating the employee for taking on greater responsibility
 - ✓ To recognize outstanding performance
 - ✓ to ensure that salaries are competitive in the marketplace
 - ✓ as a cost of living adjustment due to inflation



What are the penalties for employers who do not pay the Minimum Wage?



Offence	Penalties
First offence	The fine does not exceed RM10,000 per employee. The court may order the employer to pay each of his employees the difference between the minimum wage rate and the principal salary.
General Offence	Any person who commits an offence under this Act for which no penalty is expressly provided shall, on conviction, be liable to a fine not exceeding ten thousand ringgit
Penalty in the case of a continuing offence	A daily fine not exceeding one thousand ringgit for each day the offence continues after conviction
Penalty in the case of a repeated offence	Be liable to a fine not exceeding twenty thousand ringgit or to imprisonment for a term not exceeding five years

法定最低工资



- 马来西亚在2013年实施的最低工资制度，它针对所有的员工，除了家庭工人 [Domestic Workers] 外。
- 政府是根据全国工资协商委员会的建议以及与全国各地利益相关者 (stakeholder) 的反馈，最终确定最低工资率。
- 委员会为确定最低工资标准的修订，提供了一套标准和公式。
- 政府可以接受或拒绝委员会的建议。



法定最低工资



- 根据2011年《国家工资协商委员会法令》(第732号法)，该委员会应至少每两年审查一次最低工资指令。
- 上一次审查是在2020年进行的。最低工资指令[P.U. (A) 5 - 2020]于2020年2月1日生效，马来西亚的最低工资从1,100令吉增加到1,200令吉，遍布全国56个城市和城镇。然而，在56个指定地点以外的地区，1,100令吉的最低工资仍然有效。
- 去年11月，人力资源部副部长拿督阿旺哈欣指出，人力资源部通过国家工资协商委员会所进行的审查计划在2021年第四季度结束，并在2022年初提交。

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法定最低工资



- 由于国家的经济仍在从疫情造成的经济衰退中恢复，在此期间，大多数雇主在个人防护设备和医疗费用上花费了大量资金。
- 别忘了，其中一些雇主被迫不得不花费大量费用改善雇员的住宿，以遵循《1990年雇员房屋、住宿和设施基本标准法令》。
- 更糟糕的是，在2021年年杪的时候，许多雇主还遭受了水灾的侵袭。
- 因此，在这一时期提高最低工资可能是“棘手的”，并给雇主带来沉重的巨大压力。

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为什么加薪很重要?



- 雇员以工资或报酬作为员工执行工作任务的交换条件。工资的数额由各种因素决定，这包括：市场价格、雇员以前的经验、他们的知识、能力和技能组合以及他们的晋升潜力。
- 一般上，涨工资通常是出于以下各种原因：
 - 为了肯定员工能力或技能的提高；
 - 作为对员工承担更大责任的一种补偿手段；
 - 为了表彰员工杰出的表现
 - 为了确保员工薪酬在市场上有竞争力
 - 因通货膨胀，作为员工生活费用的调整



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对不支付最低工资的雇主有什么惩罚措施?



违法行为	惩罚
触犯	每个雇员的罚款不超过1万令吉。法院可以命令雇主向每个雇员支付最低工资标准和其基本工资之间的差额
一般违法行为	凡是犯有本法规定的罪行而又没有明确规定处罚的，一经定罪，可处以不超过1万令吉的罚款
对持续违法的处罚	定罪后，持续违法行为每天罚款不超过1千令吉
对重复违法的处罚	可处以不超过2万令吉的罚款或不超过5年的监禁



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 - ✓ seek your independent professional advice because the scope and extent involved in each case are different.



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