



PRESS STATEMENT

SECRETARIAT NATIONAL WAGES CONSULTATIVE COUNCIL PUTRAJAYA

IMPLEMENTATION OF MINIMUM WAGES

The Minimum Wages Order 2012 (the Order) requires employers with 6 employees and above to pay minimum wages of RM900 a month in Peninsular Malaysia or RM800 a month in Sabah, Sarawak and Federal Territory of Labuan, with effect from 1 January 2013.

2. The Government, after considering and evaluating the feedback from all parties including the National Wages Consultative Council (NWCC), makes the following decision:

Local Employees

2.1. local employees (citizens) shall be paid minimum wages as per the Order;

Deferment for Foreign Workers

- 2.2 employers in small and medium enterprises (SMEs) are given blanket deferment of the implementation of the minimum wages for their foreign workers until 31 December 2013;
- 2.3 employers, other than SMEs, who face difficulties in implementing minimum wages may apply for deferment on individual basis to the Secretariat and the closing date to submit the applications is on 30 Jun 2013;
- 2.4 employers who have been given deferment are not allowed to make deductions from the foreign workers wages for levy, cost of accommodation or other allowances.;

Employers Implementing Minimum Wages

- 2.5 employers who are implementing minimum wages are given a blanket approval for deductions of levy and cost of accommodation. The amount of levy to be deducted is the actual amount on a prorated monthly basis and the amount of deduction shall not exceed RM50 a month for each foreign worker. Both the deductions above need to be notified to the nearest Labour Department via email or letter;
- 2.6 However, 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.

Closing

3. It is hereby announced that the Government's decision to give deferment for foreign workers in SMEs is to be in force from the date of the amendment of the Order.

THE END.

Released by:

Secretary
National Wages Consultative Council
Putrajaya

19 MARCH 2013