



CIRCULAR NO: 4/2019

DATE: 7 January 2019

TO: ALL MEMBERS

Minimum Wages Order 2018

We wish to inform that the Minister of Human Resources issued the *Minimum Wages Order 2018* vide gazette notification [*P.U. (A) 265/2018*] dated 17th October 2018. The ***Minimum Wages Order (Amendment) 2018 [P.U. (A) 305/2018]*** gazetted on 28th November 2018 amended paragraph 3 of the ***Minimum Wages Order 2018 [P.U. (A) 265/2018]*** by substituting paragraph 3 the following paragraph:

Minimum Wage Rate			
Monthly	Daily		Hourly
RM1,100.00	Number of working days in a week		RM5.29
	6	RM42.31	
	5	RM50.77	
	4	RM63.46	

Paragraph 4 of the ***Minimum Wages Order 2018 [P.U. (A) 265/2018]*** was amended by substituting for the word "RM1050.00" the word "RM 1,100.00"

The amendments to the Minimum Wages Order as stated above shall take effect from **1st January 2019** for all employers in the private sector irrespective of the number of employees under their employment.

Non Application – Paragraph 2 of the ***Minimum Wages Order [P.U. (A) 265/2018]*** states that the Order shall not apply to domestic servants as defined under section 2 of the *Employment Act 1955*, section 2 of the *Sabah Labour Ordinance* and section 2 of the *Sarawak Labour Ordinance*.

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37, Jalan 20/14, Paramount Garden
46300 Petaling Jaya, Selangor Darul Ehsan
MALAYSIA

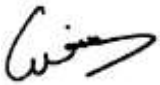
T 603 7876 3027
F 603 7876 8352

Minimum Wages Rate for Probationers - Under the *Minimum Wages Order 2018 [P.U (A) 265/2018]* there is no provision to reduce the minimum wages of probationers. Probationers are subjected to the minimum wages rates as spelt out in the *Minimum Wages Order (Amendment) 2018 [P.U. (A) 305/2018]*.

Negotiations for Restructuring of Wages - Under the *Minimum Wages Order 2018 [P.U (A) 265/2018]* there is no provision for negotiations on restructuring of wages. This means that any allowances now paid which is not part of the minimum wages currently in force cannot be incorporated as part of basic wages to make up the minimum wages of RM 1,100.00 per month.

For enquiries, please contact Mr SC Chan of MPMA Secretariat at Tel: 603-7876 3027 or Email: scchan@mpma.org.my.

Yours sincerely,



ST GIAM
Executive Director