

 PETALING JAYA: Some 37,000 estate and mill workers in one of the country's largest plantation companies will have their basic wages raised by RM200 per month from July 1. The new wage scheme will see the salaries of Sime Darby's workers and non-executive staff increase to between RM1,050 and RM1,100, from RM850 and RM900 previously. This is the result of discussions between the Prime Minister's Department and Sime Darby in order to increase the quality of life for the workers. The Prime Minister will also enter talks with other government-linked companies and plantation owners to raise their worker's pay to meet the goals set by the New Economic Model, said Human Resources Minister Datuk Dr S. Subramaniam after the announcement of the scheme here yesterday. He said the current average pay increase of 2.9% year on year could not keep up with the growing costs of living and inflation. Hopefully, other companies will follow the example set by Sime Darby, added Subramaniam. Sime Darby president and group chief executive Datuk Mohd Bakke Salleh, who announced the scheme, said plantation workers' housing would also be upgraded under the company's Central Housing Complex initiative. We believe that the improved remuneration scheme will attract more Malaysians to work in plantations, said Mohd Bakke, adding that presently, there was a labour shortage in the industry. He added that the pay rise reflected the higher crude palm oil (CPO) prices, pointing out that the RM350 basic wage structure was set in 2005 when CPO prices averaged RM1,400 a tonne. Today's prices are comfortably over RM3,000 per tonne, he said. Malaysian Agricultural Producers Association director Mohamad Audong said it was Sime Darby's discretion to spread its prosperity by increasing its workers' wages. He said the last pay rise negotiated for general workers was a 10% increase in 2007, adding that the industry's average basic salary was between RM700 and RM800 a month. In welcoming the announcement, National Union of Plantation Workers national executive secretary A. Navamukundan said it was a step in the right direction, adding that he hoped other companies would follow suit.