

EXECUTIVE SUMMARY

TITLE	:	ACCELERATING LABOUR MARKET REFORM: A CAPACITY BUILDING PROGRAM DRIVING PRODUCTIVITY GROWTH THROUGH PROGRESSIVE WAGE POLICY FOR STAKEHOLDERS.
OBJECTIVES	:	<ul style="list-style-type: none"> To understand the Progressive Wage Principles from Singapore expert and experience and gain insights into the fundamental principles and components of the Progressive Wage Model; To explore strategies for tailoring the Progressive Wage Model to suit Malaysia unique structure and industry dynamics; and To gain understanding of relevant labor laws and compliance requirements associated with the Progressive Wage Model.
EXPECTED OUTCOMES	:	<ul style="list-style-type: none"> Increased knowledge and awareness among participants about the fundamental principles and components of the Progressive Wage Model; Enhanced understanding of how progressive wage systems operate, including the criteria for wage progression and the principles behind fair compensation; Participants gain insights into tailoring the Progressive Wage Model to their organization's structure; and Development of a plan or framework for the implementation of the Progressive Wage Model within the specific Malaysia.
DATE & VENUE	:	6 – 8 March 2024, Dorsett Hotel, Putrajaya
DELEGATES (S)	:	Officers & Representatives from MPC & Regional Officers, Ministry of Economy, MITI, MOF, MOHR, MTUC, MEF, SME Corp. & FMM
ESTIMATED COST	:	RM97,900.00
BUDGET	:	TWIP 2024 Budget & Operation Budget
RECOMMENDED BY	:	Talent Development, People Productivity
Comment/ Signature By PCT		

ACCELERATING LABOUR MARKET REFORM: A CAPACITY BUILDING PROGRAM DRIVING PRODUCTIVITY GROWTH THROUGH PROGRESSIVE WAGE POLICY FOR STAKEHOLDERS

1.0 Purpose

The purpose of this paper is to request approval from MPC Board of Management in organizing Accelerating Labour Market Reform: A Capacity Building Program Driving Productivity Growth through Progressive Wage Policy for Stakeholders.

2.0 Background

The recent presentation on *Kertas Putih Dasar Gaji Progresif* by YB Minister Economy has applauded the importance of improving low wages, skill mismatch and slow productivity growth and hence to undertake labour market reform. Such initiative will support the Mid Term Review of the 12th Malaysia Plan, NIMP 2030, NETR and the *Ekonomi MADANI*. To fulfill the aspiration, it is vital for MPC and pertinent stakeholders to explore opportunities which would enhance our workforce development initiatives, particularly in the area of wage structuring and progression.

Subsequently the findings from MPC-EUERA study on New Wage Model for Building Sustainable Business and Workforce 2023, have identified the Progressive Wage Model as an integral framework that aligns with our commitment to employee development and fair compensation practices. Understanding the complexities and distinctions associated with implementation of this model indeed need a specialized training and guidance in ensuring a successful integration into Malaysia context.

Considering the reputable expertise of the Singapore National Employers Federation (SNEF) in matters of labour and employment, this program will utilize SNEF resource person to implement the training and consultancy services on the subject matter of Progressive Wage Model. With SNEF, wealth of experience and knowledge, is well-positioned to provide comprehensive insights and guidance on the effective implementation of this model.

3.0 Objectives of the programme

- i. To understand the Progressive Wage Principles from Singapore expert and experience and gain insights into the fundamental principles and components of the Progressive Wage Model;
- ii. To explore strategies for tailoring the Progressive Wage Model to suit Malaysia unique structure and industry dynamics; and
- iii. To gain understanding of relevant labor laws and compliance requirements associated with the Progressive Wage Model.

4.0 Training Format

Workshops, or customized sessions, depending on the availability and recommendations of SNEF.

5.0 Expected Date & Venue

6 – 8 March 2024, Dorsett Hotel, Putrajaya

5.0 Expected outcomes.

- i. Increased knowledge and awareness among participants about the fundamental principles and components of the Progressive Wage Model;
- ii. Enhanced understanding of how progressive wage systems operate, including the criteria for wage progression and the principles behind fair compensation;
- iii. Participants gain insights into tailoring the Progressive Wage Model to their organization's structure; and
- iv. Development of a plan or framework for the implementation of the Progressive Wage Model within the specific Malaysia.

6.0 Participants Nomination

Please refer to Attachment 1.

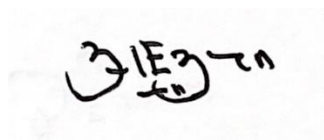
7.0 Expenses Cost

Please refer to Attachment 2.

8.0 Approval From BOM

The approval of Board of Management (BOM) is sought on the estimated total expenses of **RM97,900.00** for the program.

Prepared by:



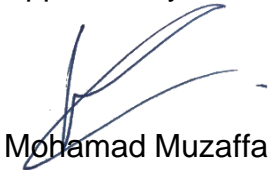
Zul Ezwan Muhamad
Manager
Date: 6 February 2024

Reviewed by:



Dr. Suriati Zainal Abidin
Deputy Director
Date: 6 February 2024

Approved by:



Mohamad Muzaffar Abdul Hamid
Director
Date: 6 February 2024

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6 – 8 MARCH 2024 | DORSETT HOTEL, PUTRAJAYA**

PARTICIPANTS NOMINATION

NO.	PARTICIPANTS	ORGANIZATION
1.	Pegawai KE	Human Capital Development Division, Ministry of Economy
2.	Pegawai KE	
3.	Pegawai KE	
4.	Pegawai MITI	Strategic Planning Division, MITI
5.	Pegawai MITI	
6.	Pegawai MOF	Bahagian Fiskal dan Ekonomi (FED), MOF
7.	Pegawai MOF	
8.	Pegawai Dasar MOHR	Bahagian Dasar Sumber Manusia, MOHR
9.	Pegawai Dasar MOHR	
10.	Pegawai JPPM	Jabatan Perhubungan Perusahaan Malaysia, MOHR
11.	Pegawai JPPM	
12.	Pegawai MPGN	Majlis Perundingan Gaji Negara, MOHR
13.	Pegawai MPGN	
14.	Pegawai Perkeso	PERKESO
15.	Pegawai Perkeso	
16.	Pegawai SMECorp	SME Corporation
17.	Pegawai SMECorp	
18.	Wakil MTUC	Malaysian Trades Union Congress (MTUC)
19.	Wakil MTUC	
20.	Wakil MEF	Malaysian Employers Federation (MEF)
21.	Wakil MEF	
22.	Wakil FMM	Federation of Malaysia Manufacturers (FMM)
23.	Wakil FMM	
24.	Wakil EU-ERA	Centre for Future Market Labour Studies (EU-ERA)
25.	Wakil EU-ERA	

NO.	PARTICIPANTS	ORGANIZATION
26.	Wakil EU-ERA	
27.	Associates MPC	Associates MPC
28.	Associates MPC	
29.	Associates MPC	
30.	Trainer	SNEF
31.	Trainer	
32.	Pegawai MPC	Malaysia Productivity Corporation (MPC)
33.	Pegawai MPC	
34.	Pegawai MPC	
35.	Pegawai MPC	
36.	Pegawai MPC	
37.	Pegawai MPC	
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42.	Pegawai MPC	
43.	Pegawai MPC	
44.	Pegawai MPC	
45.	Pegawai MPC	
46.	Pegawai MPC Wilayah	
47.	Pegawai MPC Wilayah	
48.	Pegawai MPC Wilayah	
49.	Pegawai MPC Wilayah	
50.	Pegawai MPC Wilayah	

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EXPECTED COST

PERINCIAN KOS - BAJET PEMBANGUNAN – TWIP

Perkara	Kategori	Nilai
Pakej Mesyuarat (50 peserta x RM180 x 3 hari)	P29401 – Makan Minum Orang Jemputan/ Peserta Kursus	27,000
Penginapan Sekretariat (10 pegawai x RM230 x 3 malam)	P29407 – Makan Minum Termasuk Penginapan	6,900
Penceramah/ Fasilitator Program - Luar Negara (2.5 hari = \$15,000 x 3.6)	P29118 - Perkhidmatan Pakar Runding Luar Negara	54,000
Penulisan Laporan / Press Release	P29112 - Perkhidmatan Penterjemahan Dan Penafsiran / Penulisan	5,000
JUMLAH KESELURUHAN (RM)		92,900

PERINCIAN KOS – BAJET OPERASI

Perkara	Kategori	Nilai
Tuntutan Perjalanan Pegawai MPC (HQ & Wilayah)		5,000
JUMLAH KESELURUHAN (RM)		5,000

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TENTATIVE AGENDA

Day One (9.00am – 4.30pm)
Session 1 : Concept and Principles of Progressive Wage System (PWS)What, why and how
Session 2 : Sectoral Progressive Wage (PW) and Occupational PW7 sectoral PW and 2 occupational PW
Session 3 : Structural approach to PW formulation
Day Two (9.00am – 4.30pm)
Session 4 : key consideration for the successful implementation of PWS
Session 5 : Facilitation and group discussion on road map from conceptualization to implementation
Session 6 : Presentation of framework and action plan by tripartite partners (Government, Employer and Employee representatives)
Day Three (9.00am – 12.00 noon)
Other components that make Progressive Wage System sustainable – Stephen Yee
Session 7: Holistic implementation for employers to see sustainability on how to managePWM Integrates with Job Redesign to increase productivity and skills
Session 8: Social Dialogue with Employers and Unions getting a stronger buy-in
Session 9: Discussion on Minimal Wage Model vs Progressive Wage Model