

Rich Malaysian ... Poor Malaysian - The Merdeka gap

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In recent weeks, we have been occupied with the question of whether the UN Special Rapporteur on Extreme Poverty and Human Rights, Philip Alston's claim is correct or false. Alston concluded that Malaysia's absolute poverty rate cannot be 0.4 percent but was closer to 15 percent. Economic Affairs Minister Azmin Ali immediately dismissed the report as unacceptable and irresponsible while Prime Minister Dr Mahathir said the government will study the claim and may review the figures. Nevertheless Mahathir also ridiculed the report by saying, "It is not as bad as what is pointed out by the people who come here for one day, stay in a big hotel and then pass judgement".

Let me talk about my interaction with around 70 cleaners who attended a retreat in Camp Perasaan near Taiping last weekend. This was not a venue of a 5 star hotel but a low budget resort. I was one of the resource persons and the group who attended were all hospital cleaners who work in Government Hospitals. These are the same people who work and keep our overcrowded Government Hospitals clean. When I asked them what are their salaries, they said that they are paid RM 1,100. When I asked the most senior person in the group who has worked for 30 years, the shocking answer was that his salary was also RM1100.

They receive the minimum wage irrespective of their years in service. They are employed through a Contractor employed by the Government. PSM has always taken a position in opposing contract work for permanent workers. This is an abuse of the system and a manipulation. It goes against the norms of job security enshrined in our constitution and the Universal Declaration of Human Rights. Then I made a comparison to their salaries and top salaries or income earned by CEOs in Malaysia in the year 2017. When I shared these figures, they were shocked.

Obscene Salaries of CEOs

These figures were taken from publicly published reports and FTSE Bursa Malaysia KLCI index list (accurate as of May 31, 2018). The report looked at the very top companies. To put the record straight, these are 2017 income figures and not the top ten richest persons data which would be definitely be much higher. One can oneself search this on google.

Just for those who think that these are pre GE14 wages. Let me also state that the earnings of top earners in 2018 are higher than 2017. I take the 2017 salaries as comparison because the report does mention salaries and bonuses paid unlike the 2018 report.

Now we take Sime Darby Plantation - a GLC - CEO Dato' Mohd Bakke Salleh's salary for 2017. His total salary and remunerations was RM7.8 million in 2017. That would work out to RM 652,416 a month. Now can someone dare to compare this with the earning of a plantation worker under Sime Darby?

Now let's take another Government linked company(GLC), Petronas. Petronas Chemicals Group CEO Datuk Sazali Hamzah was paid RM1,013,352 for his services to the company for the year 2017. That would work out to a monthly income of RM 84,446.

Now let's see what two other GLCs pay their CEOs. In 2017, Malayan Banking Berhad paid its CEO Datuk Abdul Farid Alias a salary of RM2,400,000 and bonuses alone amounting to RM4,300,000. Now the report says his total earning was RM8.7million and if I break this down to monthly income, it works out to RM727,916 a month and if I further break down to a daily wage it would be around RM 24k.

What about the CEO of Tenaga Nasional who has proposed a bill hike?. This is yet another GLC where the CEO Datuk Seri Ir. Azman bin Mohd total salary and bonuses for 2017 were RM3,494,120 and RM3,000,000 respectively. With other benefits added, his total annual income was reported as RM7,247,219. Now that works out to a total monthly income of RM 603,935 and an estimated daily earning of RM 20,131.

Now let's look at the top earner of 2017, Public Bank CEO Tan Sri Dato' Tay Ah Lek. He earned RM27 million in 2017. The current top earning for 2018 is RM 80.6 million from Genting Berhad. The Public Bank CEO's salary was RM11,079,000 and he got a bonus of almost RM16 million (RM15,974,000). His total income for 2017 was put at 27.8 million. That means if we break down the total income, it will work out to 2.3 million monthly and RM77k daily. If we break this down to 24 hours though no one works 24 hours, his salary would be around RM 3,200 an hour. That is almost three times our minimum wage.

Now let's compare the top CEO's one day income with the monthly income of our cleaners at the Government hospitals. It will take our cleaners almost 6 years to get the CEO's one day salary and it will them around 174 years to get his one month salary .

Isn't this obscene? Every time when we want to raise the minimum wage, there is massive opposition as if these poor workers are going wreak havoc on the economy. Most of the top multimillion ringgit earners in Malaysia are GLC companies. If this is not daylight robbery, what do we call it?

Looking at these figures, one wonders whether it is actually necessary to debate on our poverty rate. We talk about racial divisions yet the rich-poor gap remains unbridgeable.

May the workers get real freedom from poverty and low wages. Happy Merdeka!

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P.S.

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