

For attention of: Chief Executive Officers of Member Companies in Malacca

**Summary and Highlights of the 1st Meeting of
FMM Malacca Branch Committee 2011/2012 Held on September 13, 2011**

1. FMM Malacca Branch 37th Annual General Meeting (AGM)

The Branch held its 37th Annual General Meeting on September 13, 2011. The list of the elected Committee members, Working Committee Chairmen and Vice Chairmen are listed in the circular MB/23/11.

2. Report of Significant Issues and Development Affecting the Manufacturing Industry in the State and Recent Updates on Meetings with the State Government, Agencies and Departments

2.1 Seminar on 'Road Safety for Transportation Sector 2011' - July 19, 2011

The seminar was held to educate the public on the importance of road safety and to share the statistics on road accidents. Safety, Health and Environment (SHE) Code of Practice falls under the Occupational Safety and Health Act (OSHA) 1994. It was launched in September 2008 with the objectives of providing an effective and rational guideline for employers and employees to manage health safety and environmental issues in the transportation sector. The implementation of SHE Code of Practice will ensure that employees and road users will not be exposed to unnecessary safety and health risks due to the operational activities of goods and public transport operators.

2.2 Luncheon Talk with Large Power Consumers in Melaka – July 19, 2011

The Luncheon Talk was held to build rapport between TNB Melaka and its large power consumers. Power factor is an index to calculate the efficiency level of electricity usage. The index measurement is from 0-1. The higher index indicates an efficient usage of electricity. Power factor penalty is imposed to all consumers except for consumers of Tariff A and G (Domestic and street lighting).

2.3 Briefing on Strategic Trade Act (STA) 2010 and Dialogue with the Private Sector – July 27, 2011

The briefing conducted by En Mohamed Shahabar Abdul Kareem, Strategic Trade Secretariat, MITI was to brief manufacturers on the guidelines and procedures of STA permit application. The validation of permit by Royal Malaysian Customs scheduled to take effect on August 1, 2011 has been deferred due to technical problems in Customs. The dialogue session was chaired by Pn Johariah Bte Jantan, Deputy Director of State Customs Department. Issues raised during the dialogue sessions were on:

- Requirement of STA export permit for chemicals in liquid form.
- Storage of finished products in an adjacent building of an LMW company.

- Application for tax exemption of manufacturing aid to be carried out in the state for products other than the 26 products that are listed in the Schedule.
- Delays in getting approval in sending goods to overseas sub-contractor.

2.4 Pocket Talk on Benefits of Free Trade Agreements (FTAs) and Procedure of Application for Preferential Certificate of Origin (PCO) – July 28, 2011

The talk was facilitated by Cik. Ellyza Mastura and Cik Wong Pek Cheng of MITI, KL. The objective of the talk is to update manufacturers on Malaysia's involvement in FTAs and to educate manufacturers on the procedures of applying for PCO. Companies were encouraged to take advantage of the FTAs to enable their products to be competitive. Under the ASEAN self-certification procedure, exporters would have to agree on the conditions under Rule 12a – d of the Operational Certificate Procedure.

2.5 Malacca Green Industry Committee Meeting - August 10, 2011

The meeting, chaired by the Chief Minister of Malacca, was held to discuss on the type of 'green' industry present in the state and to identify other 'green' industries that are not in the state. Currently, the state has companies manufacturing solar panels, LED and recycling processes. The Chief Minister would like the state to attract companies that are keen to set up a solar farm in the state. The Committee was also requested to identify companies whose manufacturing processes are 'green' and to encourage the rest to go 'green' as well.

2.6 Public Consultation on Minimum Wages with the Public – August 9, 2011

Dr Zakaria bin Abdul Rashid, Vice Chairman of the National Wages Consultative Council Act 2011 and Dr. Zulkifli bin Osman, Committee Member of the National Wages Consultative Council Act 2011 briefed on the proposed Minimum Wage. Datuk Jeffery Ong, raised the following:

- To exclude Foreign Workers from the Minimum Wage ruling as employers are already paying levy for their FW's plus they are given accommodation/transportation/allowances etc
- Minimum Wage should be done on a regional basis, based on the cost of living and standard of living of each state.
- Minimum Wage should include fix allowances.
- Proposed to set the Minimum Wage for Malacca between the ranges of RM550 to RM700, depending on whether the fix allowance could be made part of the Minimum Wage.
- The need for FW's in Malaysian Industry would still prevail as the Minimum Wage would not stop Malaysian's from working in Singapore where they are paid much better wages, taking into consideration of the foreign exchange rate.
- If the Minimum Wage is implemented during an in-between tenure of the Collective Agreement, an employer would not be able to take away any agreed allowance as the employer can be charged in the IR Court for failing to fulfil the Collective Agreement.

Responses by the facilitator of the briefing as below:

- There will be no exemption of FW's from the implementation of Minimum Wage and we are not allowed to discriminate FW's as Malaysia is a party to ILO.

2.7 Dialogue Session for Manufacturers in Bukit Rambai Industrial Estate (BRIE) – August 19, 2011

The above meeting was chaired by YB Datuk Seet Har Cheow, State Assemblyman for Klebang. The meeting was to discuss and resolve issues encountered by manufacturers in BRIE. Issues raised were on:

- the high cost for upgrading, testing, installing equipment and engaging a consultant as instructed by DOE and DOSH.
- complaints from residents around BRIE on manufacturers releasing sawdust at night to avoid being caught by the enforcement officers.

2.8 Meeting of PEMUDAH Melaka, 2/2011 – Sept. 9, 2011

The second PEMUDAH Melaka meeting was co- chaired by YB Datuk Wira Omar bin Kaseh, Malacca State Secretary and Datuk Jeffery Ong, Branch Chairman.

The following issues were raised:

- Access to UNIFI's service for the industry sector
- Complaints raised on Melaka e-Aduan Portal
- Takeover of solid waste management and public area cleaning by SWM Environment Sdn Bhd from Sept. 1, 2011
- To create a One Stop Centre payment for utilities/assessment and quit rent bills
- To enable payment by cheque for water and electricity bills at TM Point
- Customs Department online payment portal.
- To draw up a guideline on transfer of property/land

3) Application for Membership and Resignations

a) Branch Membership Status as at September 13, 2011

Ordinary Members	109
<u>Affiliate Members</u>	<u>2</u>
Total Members	111
Service Members	26

b) Membership Application

PERNIAGAAN DAN PEMBEKAL SHERWAN

Factory / Office Address : No. 13, Jalan TTC 27, Tmn Teknologi Cheng, 75250
Melaka

c) Suspended Members as at June 30, 2011

- Hasro Furniture Gallery (M) Sdn Bhd
- Solutionpack Machinery (M) Sdn Bhd

d) Resignation

- AA Associates (*Affiliate Member*) – Management’s Decision

4. Programmes and Activities

Programmes Undertaken

- Customs Import and Export Procedures – *July 28, 2011*

Forthcoming Programme

a) *FMM Malacca Branch Human Resource/Industrial Relations (HRIR) Forum*

Date : September 30, 2011 (Friday)
Time : 9.00am – 12.00noon
Venue : FMM Malacca Branch

b) *Training on ‘Internal Compliance Programme (ICP)under Strategic Trade Act (STA) 2010’*

Date : October 13, 2011 (Thurs)
Time : 9.00am – 1.00pm
Venue : Hotel Equatorial Melaka

4) FMM Institute Malacca Branch

Public Programmes in October 2011

No	Title	Date
1.	Membina Kecemerlangan Diri di Tempat Kerja	October 4 – 5, 2011
2.	Electrical Safety Awareness at Work	October 11 – 12, 2011
3.	Gauge Repeatability and & Reproducibility (Measurement System Analysis)	October 12, 2011
4.	Mastering Safe Forklift Driving	October 19 – 20, 2011
5.	Effective Recruitment and Selection	October 19, 2011

For any further enquiries, please call the undersigned or **Pn. Kamariah of the FMM Malacca Branch Office** at tel: **06-2831639** fax: **06-2838090** or email: shireen@fmm.org.my / kamariah@fmm.org.my

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