

# Comparison between malaysias employment act law employment essay

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In United Kingdom, an employee is defined as " an individual who has entered into or works under a contract of employment. A contract of employment means a contract of service or apprenticeship or a contract personally to execute any work or labour." [1] In United Kingdom, the employee had the rights to know the terms and condition stated in their employment. The contract can be oral, written, implied or a mixture and the employee shall receive it within 8 weeks after they start to work. The statement should give a list of details [2]. In Malaysia, the term ' employee' is being defined as any person, irrespective of his occupation, who has entered into a contract of service with an employer under which such person's wages do not exceed RM 2000 per month [3]. Regarding the hours of work, in United Kingdom, the employer contract will state the number of hours he is expected to work. In general young people between school leaving age, and 18 years old should work a maximum of 40 hours a week, or 8 hours a day. For workers of 18 or over the figure is 48 hours a week. A limitation had been set on working time by the Working Time Regulations 1998 the basic requirements of the Working Time Directive had been implemented. A rest with a period of 11 hours consecutively shall be given in every 24 hours and a break of at least 20 minutes shall be given in any 6 hours period of work. The maximum working week according to the working time laws is 48 hours and it had cause lots of controversy. Workers who are self-employment do not have to follow the law. This law is to protect workers who do not have powers to regulate the way they work. In Malaysia, a break of 30 minutes shall be given for every five consecutive hours of work. The employee shall not work more than 8 hours per day and not more than 10

hours in a " spread-over" period. A break of 45 minutes shall be given if the work is continuous nature for every 8 consecutive hours. The current minimum wages in the United Kingdom for the age 21 and over is 6. 19 pounds, 4. 98 pounds for the age of 18 to 20 and 3. 68 pounds for those under 18 years old. In Malaysia, monthly rated employee is RM900 in Peninsular Malaysia and RM800 in East Malaysia. Hourly rated employee is RM4. 33 in Peninsular Malaysia and RM3. 80 in East Malaysia. An employee with ordinary rate of pay who employed on monthly rate of pay[4]is calculated differently from an employee who employed on a weekly rate of pay[5]. If the employees who are paid based on trips, commissions, tonnage or others, payment shall be given by the employer to fulfill the limitation set by the MWO. In United Kingdom, it is illegal for an employee to work for overtime work more than 48 hours per week averagely. There is no minimum statutory level of overtime pay and rates. No employee shall be paid, averagely based on the total hours of wok done lower than the limitation set up by the National Minimum Wage. Employee can be paid for working overtime according to the industry-wide agreement or at their usual rate. Generally, it is up to the employee to agree overtime rates with your staff. For weekdays and Saturday mornings, the salary is to time one and a half. Sundays, Saturday afternoons and public holidays, there will be a double time. For New Year's Eve night and Christmas Day, there will be double time or more. Rates varies according to different organization according to the amount of overtime is done for example time-and-a-half for the first two hours and double time after that. If it is for companies business, travelling time and actual hours work will be paid. If employees who are on standby

had respond to the call outs, a standby payment will be given. In Malaysia, the maximum hour of overtime is 104 hours a month as compared to United Kingdom. Regarding the overtime pay, work on Rest Days in Malaysia is much different as compared to United Kingdom. For daily-rated employees, there will be two times the daily wages paid, if work exceeds 50% of the normal working hours of works and one day's daily wages if the work is 50% or less. For monthly-rated employees, there will be half the day's wages for a period not exceeding 50% their normal hours of work. One day's wages for work not exceeding their normal hours of work. It shall be two times the hourly rate of pay on the rest days. For monthly, weekly, daily, hourly rated employees who work on Public Holidays, they will be paid two days wages at the ordinary rate of pay[6]. In United Kingdom, Statutory Maternity Leave is 52 weeks. It's made up of 26 weeks of Ordinary Maternity Leave and 26 weeks of Additional Maternity Leave. The employee does not have to take 52 weeks but must take 2 weeks' leave after the baby is born or 4 weeks if she works in a factory. SMP[7]is paid for up to 39 weeks. The employee will get 90% of the average weekly earnings which is before tax for the first 6 weeks and 90% of the average weekly earnings whichever is lower for the next 33 weeks. SMP is paid in the same way as the wages for example monthly or weekly. Tax and National Insurance will be deducted. Annual leave continues to grow by addition throughout the maternity leave period. Two weeks paid at a fixed rate of paternity leave will be given if requested by the spouse, partner of the women including same-sex relationship. A non-paid parental leave can be requested up 4 weeks annually with a limitation of 13 weeks by the mother and her partner. However in Malaysia, the maternity leave is only

90 days[8]but it is fully paid maternity. Government ministers propose a drastic change to the employment law landscape. Employment law and regulation impedes efficiency and competitiveness. The suggestion is that excessive regulation is the cause of high unemployment. This may strike some commentators as perverse because removing underperforming employees will undoubtedly increase unemployment in the short term, despite the report making assertions to the contrary. The indication is that employers will be able to replace incompetent employees with more competent ones. What however happens to the incompetent employees who are out of work? It also fails to consider certain employees may perform differently from others. Ill-health, disability or family related problems all contribute to a person's abilities in the workplace. Employee protection preventing discrimination must be maintained. The main area of attack however is the current unfair dismissal law which the government asserts has an effect upon competitiveness of businesses and effectiveness and costs of public services. The suggestion is that employers are tied up by lengthy and complex procedures which, if breached, mean that an employee can claim to have been unfairly treated. There is some truth in that.

Malaysia United Kingdom  
Working hours 5 Consecutive hours with a break not less than 30 minutes  
Not more than 8 hours per day  
Not more than 48 hours per week  
Employee can be required to work on rest day  
Stated in the contract  
For employees - below 18 years old: maximum 40 hours per week -  
above 18 years old: 48 hours per week - 20 minutes of break shall be given after working for 6 hours  
\*Maximum working hours do not apply to self-employment  
Minimum wages  
Peninsular Malaysia  
Hourly : RM4.33  
Monthly : RM

900 East Malaysia  
Hourly : RM3.80  
Monthly : RM800  
Minimum wage per

hour  
Below 18 years old: £3.68 pounds (RM17.44)  
Between 18 to 20 years

old: £4.98 (RM23.60)  
21 years old and above: £6.19 (RM29.

34) Overtime  
Maximum 104 hours per month  
Payment: at least one and a half

times the hourly rate of pay  
Maximum 48 hours per week  
Payment: no

minimum statutory level and shall not be below the National Minimum

Wage  
Maternity leave  
Fully paid of 90 days  
Paid up to 39 weeks