

MTUC speaks out for workers

As the global economic recession bites, the plight of workers have become louder. Increasing worries over job security have contributed to a big drop in consumer sentiment as more Malaysians start to lose their jobs.

That has been reflected in the growing number of unemployed in the country, and the Malaysian Trade Union Congress (MTUC) believes time is ripe for changes to be made.

Its president Syed Shahrir Syed Mohamud says improvements to the Employment Act 1955 needs to be done in terms of protecting the rights of retrenched workers is concerned.

The MTUC, which is the umbrella body for about a million workers in the country, feels a retrenchment fund should have been set up a long time ago with seed capital from the government and a token monthly contribution from both employees and employers.

Syed Shahrir feels that Social Security Organisation (Socso) is the right body to implement the retrenchment fund as it has the right infrastructure and network that is present throughout the country.

"What we need is legislation for a retrenchment fund with seed money provided by the government," he says.

Its proposal called for the government to provide RM500mil as seed capital and both workers and employers paying RM1 each a month towards that fund that would add RM120mil a year towards the retrenchment fund.

As wide scale retrenchments only occur during recessions, Syed Shahrir feels the fund would have been adequately funded from the accumulation of money during the good times.

That would go a long way in providing some financial assistance to the growing number of

More protection for retrenched workers needed

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retrenched workers which stands at 26,798 workers.

Another area the MTUC wants tackled is the issue of training and retraining.

Syed Shahrir suggests that the Government introduce a mechanism to enhance the skills of Malaysian workers.

"Malaysian workers can be easily trained but you cannot expect them to improve if old machines are being brought into the country," he laments.

Another issue with training is time, which the tapped out worker has little to offer.

Between travelling, working and taking care of chores at home, the

average worker has little time to pursue skills training outside of work and for a country that has been involved in the manufacturing and production process for more than 35 years, the skills acquired by workers on the factory floor and their salaries received has been left wanting.

Syed Sharir says the skills of the Malaysian worker is competitive, if not much better, against the workers of neighbouring countries.

"Another point I want to emphasize is the low end process of production. We are still talking about labour intensive industries

although we are competing against Taiwan, Hong Kong, Korea and

Singapore," he says, adding that it is important for the government to have a policy of attracting businesses that rely on skilled workers.

Although Syed Shahrir feels the reliance on foreign workers has in a way held back the development of the Malaysian worker, it is time for a minimum wage to be instituted.

"We are pushing for a minimum wage of RM900 and a cost of living allowance of RM300," he says.

But that proposal has not gone down smoothly with employers and the government which thinks it will cause hardship for employers.

One victim of the current downturn will be the terms agreed to any expiring collective bargaining agree-

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SYED SHARIR SYED MOHAMUD

ment.

In Malaysia, collective bargaining agreements have a tenure of 3 years but any new deal now would be punitive for workers:

"If parties enter into an agreement and sign an agreement now, it will reflect the recent hardship of the company and not the good years the company was enjoying before the economic problems hit," he says.

"And any agreement signed now, might not also take into account the rebound in economic activity that is expected to take place next year as the agreement period is over three years."

He feels a yearly negotiation is best, like in the case of Japan where economic ripples on collective bargaining agreements would be smoothed out.

"We should relook at our practice and see the relevance of other country's practice to ours," he says.

Syed Sharir also feels the time is right for the retirement age to be extended to 60 and by doing so, it would have no bearing on increasing unemployment in the country.

Countries around Malaysia have raised the retirement age and that has not had any impact on increasing unemployment in those countries. —

By JAGDEV SINGH SIDHU