



Labour Bulletin

Inflation rate hits three per cent

Rising food prices, including that of milk cheese, eggs and vegetables, pushed the inflation rate in April to three per cent a year, the highest in 15 months. (NST May 22, 2008)

Unfortunately, these official statistics do not seem to convince Prime Minister Datuk Seri Abdullah Ahmad Badawi that MTUC's proposal for a minimum wage deserves Government's consideration. Prime Minister did not make any mention of the hardships faced by wage earners in his speech to the 10,000 workers who attended the Workers' Day Celebration organized by the Ministry of Human Resources. Instead responding to reporters' questions, Abdullah rudely dismissed MTUC's request stating that "we have to seek the view of many people. This is important to me. But they should understand they can have 100 demonstrations, but if we can't implement it, we can't. It is as simple as that."

He said "if we increase pay, prices of goods will go up. What is the point of increasing pay if prices go up?"

Prime Minister's response shows clearly that he is oblivious to the hardship encountered by millions of workers.

Datuk Seri Abdullah Badawi who repeatedly lectures public sector employees on the importance of delivery system has failed to realize that he does not practice what he is preaching.

Prime Minister has not even acknowledged MTUC's seven page memorandum on minimum wage submitted on 18th June 2007.

Thursday, May 22 2008

Source: www.grajasekaran.blogspot.com

MTUC welcomed the announcement made by the HR Minister Datuk S. Subramaniam to reduce foreign workers by 500,000 by 2010. this is expected to create 600,000 new jobs for locals.

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Retrenchment not justified

Company increased Directors' Fees by 83.6%

Company had dismissed the claimant on the ground that the company is doing bad but at the same time the company's financial statement shown that it has increased the payment for the directors fees.

Company's contention:

- the Claimant was not employed by the Company but by DTS Marketing (Malaysia) Sdn. Bhd.
- the Claimant was given temporary employment and the company had warned him to find another more suitable job. It further avers that after 2 years of operation,
- the Company was not doing well.

Claimant's contention:

- The Claimant states that when he continued employment with the Company in January 2000, his position was the same as that in DTS Marketing, namely that of a Technician. There was no change to his job functions or his working hours and his superior was the one who paid his salary each month. The Company in fact operated in the same office and the employers were the same persons. The only difference was the Company's name.
- The Claimant denied that the Company tell him that it was just a temporary job and that he was to look for another job. In fact, from 2000 until the date of his dismissal, the Company never told him to look for another job or that they could not pay him anymore.
- As proof of his employment with the Company, the Claimant tendered a salary voucher from the Company for the year 2003. The said salary voucher describes the payment of RM1,383.25 as being the Claimant's August salary.
- The Claimant also tendered a letter dated 23.10.2003 from the Company to Lembaga Hasil Dalam Negeri Malaysia informing the Lembaga that the Claimant had ceased working with the Company with effect from that date. The Claimant also tendered his EA Form for the year 2003. In column F of CLE 3, the name of the Claimant's employer is stated as DTS Trading Sdn. Bhd.

Court's finding

- the Letter of Termination with the words "...we are terminating your services with effect from today..." would clearly show that it was the Company who had terminated the Claimant's services. The Court is of the view that it is only an employer who would be able to terminate an employee's services.
- In the Letter of Termination, the reason advanced by the Company ***is its bad business situation***. The exact words appearing in the said letter are as follows:

"Due to the very bad business situation in the computer industry, we are unable to obtain enough income to meet your remuneration".

But the Financial Statements of the Company for the years 2002, 2003, 2004 and 2005 shown that a few expenses had remained and certain expenses had actually decreased

- *However, the Court notes an increase of RM20,064.00 for Directors' Fees, from RM24,000.00 in 2001 to RM44,064.00 in 2002. This will represent a 83.6% increase for Directors' Fees. The Court questions whether a company which is allegedly in financial difficulties would grant its directors such a hefty increase in fees. The Court finds this fact extremely telling in light of the fact that the Claimant's annual salary would only be RM18,360.00, an amount smaller than the increase in Directors' Fees. There is also a hefty 469.3% increase in travelling expenses, from RM3,438.92 in 2001 to RM19,578.18 in 2002.*
- In light of this finding, the court thus finds that the claimant's dismissal had failed to prove on balance of probabilities that the claimant's dismissal was for just cause or excuse

Award: 222 of 2008,

Chairman: Y.A. Amelia; Company: DTS Trading Sdn.Bhd

Retirement age of public sector employees will be raised from 56 to 58

PUTRAJAYA: The mandatory retirement age of public sector employees will be raised from 56 to 58 from July 1, Prime Minister Datuk Seri Abdullah Ahmad Badawi announced on the 10th May 2008.

These were some of the goodies for civil servants which Abdullah unveiled at a public sector Workers' Day gathering at the Putrajaya International Convention Centre. The mother or father of an employee who dies without leaving any other next-of-kin will be given a lump sum ex gratia payment. The contentious Efficiency Level Assessment (PTK) remains but the method of implementation will be improved from time to time.

Abdullah said the government decided to raise the retirement age in view of the longer life span of Malaysians. He said this move would not jeopardise the employment opportunities for new graduates. "It is important that the new generation of civil servants do not feel that their opportunities for career advancement would be constricted as it is the opposite." For the benefit of employees with young children, the government has decided that the derivative pension would be maintained at 100 per cent.



On the other requests by Cuepacs, including a review of the housing allowance and the absorption of contract employees into the permanent service, Abdullah said the government was still studying them and if there was any decision, he would make an announcement before the tabling of Budget 2009, which is scheduled for Aug 29. Abdullah called on civil servants to be efficient and help the country in facing the global challenges. He said they had to have a strong sense of urgency in implementing decisions that were reached. Otherwise, the government's programmes would become meaningless, he added.

By : Farrah Naz Karim, NST, 2008/05/11

Perak to act against bosses who go for cheaper option

Tuesday May 6, 2008

IPOH: The Perak Government will take action against employers who hire foreign workers when they could have taken in locals, state executive councillor A. Sivanesan said.

He admitted that there were situations where Malaysians refused to take up jobs especially those in the plantation and construction sectors. "However, some employers have been abusing this system.

They have been employing foreign workers just because they are cheaper (their wages are lower than the locals)," he told reporters after a state-level MTUC dinner held in conjunction with Workers Day at the State Secretariat here on Sunday.

Sivanesan was commenting on a plea from Perak MTUC chairman Muhd Fadzil Abdul Rashid who had urged the Government to act in cases where employers were "victimising" local workers by hiring foreigners.

Sivanesan, however, did not specifically mention how or what action the state could take against the employers. He added that besides the state government, the Industrial Relations Department could also take action against such employers.



LABOUR DAY 2008

Almost 3000 trade union members participated in the Labour Day 2008 celebration which was held at the stadium Kemerdekaan Shah Alam Selangor. Menteri Besar Selangor YAB Tan Sri Dato' Abdul Khalid bin Ibrahim together with other Parti Pakatan members presented for this important gathering. The paramount issues for labour movement especially on minimum wage, COLA and amendment of Labour Act were highlighted during this gathering by all the speakers and MTUC leaderships. The new coalition comprise with PAS, DAP and Keadilan have promised that they will work together with labour

YAB Tan Sri Dato' Abdul Khalid bin Ibrahim, officiated MTUC Labour Day 2008



movement to gain and achieved decent living for all the workers and RAKYAT. This is the first time MTUC had organized Labour Day celebration with the support of state government. MTUC wish that the



newly elected state government will be able to performed for the betterment and well being of workers especially for the most vulnerable

groups, in order to compete with the neo liberalization process. The country's was able to enjoyed and sustained its prosperous, wealth and strong growth through the participation of productive workers in deed.

Activities such as Pentomine, dikir bakat and Ikrar were performed by MTUC



While the rapid pace of globalisation, the rising internationalization should not undermined and erode the workers needs to the so called 'race to bottom'.

HARI PEKERJA 2008

Hari Pekerja 2008 telah diadakan di stadium kemerdekaan Shah Alam pada 1 Mei 2008. Ia telah dirasmikan oleh Menteri Besar Selangor YAB Tan Sri Dato' Abdul Khalid bin Ibrahim. Turut hadir ialah ahli-ahli Parlimen yang mewakili Parti Pakatan Rakyat. MTUC amat bangga kerana inilah julung kali MTUC mengadakan sambutan hari pekerja bersama dengan kerajaan negeri Selangor yang memberi sokongan padu dan menjanjikan akan memperluaskan skop usaha kearah pemerkasaan rakyat supaya dapat mengecapi kehidupan yang harmoni yang boleh menjadi tonggak penting kekuatan ekonomi.

Meskipun Negara telah mencapai kemerdekaan 50 tahun namun kesalinghubungan antara golongan pemerintah dan diperintah telah mewujudkan jurang yang besar sehingga membangkitkan kegawatan dikalangan masyarakat. Itulah yang sedang dihadapi dan melanda kesatuan dan kaum pekerja di Malaysia yang mewujudkan ketidaktentuan dalam kehidupan kaum pekerja.

Atas nama neoliberalisasi dan globalisasi hak kaum pekerja telah disinggir dan dipencilkan dengan memberi keutamaan kepada pelabur-pelabur dan syarikat multinasional berkuasa.

Inilah yang terjadi kepada Kesatuan pekerja-pekerja British American Tobacco yang telah wujud sejak 44 tahun namun kini berhadapan dengan kesengkitan yang bakal memusnahkan kesatuan itu. Kerajaan dan majikan tidak langsung mengendahkan tuntutan kesatuan untuk memperkasakan kesatuan tersebut. MTUC menyokong sepenuhnya tindakan kesatuan BAT memboikot keluaran BAT dan menyeru



Kesatuan British American Tobacco membantah tindakan BAT menghancurkan kesatuan ini

kepada semua ahli untuk turut menyokong kesatuan ini agar dapat menangani permasalahannya dengan segera.

MTUC megekalkan temanya hari pekerja 2008 **"GLOBALISASI MENGHAKIS HAK PEKERJA"**.

Manakala kerajaan telah mengadakan sambutan Hari Pekerja 2008 pada 3hb Mei 2008 di Stadium Bukit Jalil.

Tetamu utama bagi majlis ini ialah YAB Dato'Seri Abdullah Badawi, Perdana Menteri dan YB Datuk Dr. S.Subramaniam Menteri Sumber Manusia. Tema utama untuk tahun ini ialah **PEKERJA INOVATIF NEGARA KOMPETITIF**. MTUC telah diwakili oleh Sdra. Khalid Atan, Timbalan Presiden MTUC. MTUC turut telah menghantar kontinjenjnya yang diwakili oleh Jawatankuasa Belia dan Wanita MTUC.



Kontinjen MTUC yang diwakili oleh Jawatankuasa Wanita dan Belia menyertai perhimpunan Hari Pekerja 2008 yang dianjurkan oleh Kementerian pada 3 Mei 2008 di Stadium Bukit Jalil.



Perhimpunan MTUC di Parlimen

MTUC gathered outside Parliament

Around 100 unionists together with Malaysian Trade Union Congress (MTUC) leaders gathered outside Parliament on 7th May 2008 at 10.00am to hand a memorandum to demand for minimum wage and COLA for worker in the private sector.

The crowd gathered for two hours under the watchful eyes of the police before dispersing peacefully on their own after the memorandum had been submitted. Several Pakatan Rakyat MPs took time out from the Parliament sitting and came to support the MTUC's demand for RM900 minimum wage and RM300 cost-of-living allowances (Cola).

The memorandum was handed over to Minister in the Prime Minister's Department Mohd Nazri Abdul Aziz and Opposition Leader Dr Wan Azizah Wan Ismail. MTUC president, Syed Shahrir said that Nazri promised to hand the memorandum to Prime Minister Abdullah Ahmad Badawi and other members of the cabinet. "The memorandum was also distributed to all MPs regardless of their political leanings," he said.



YB Lim Kit Siang, Malaysian Parliamentary Opposition Leader together with trade union members' outside Parliament

No response

He said the memorandum was the same as the one submitted to Abdullah in June last year. Syed Shahrir said that a second memorandum was submitted because there was no response from the government regarding their claims.

He said that the government's excuse of not having a minimum wage policy and an equitable Cola policy to prevent inflation was lame one. Elaborating, he said it was the employers and not the government that was footing a higher salary. He said that at present, 1.67 million workers are making less than RM700 a month which is lower than the poverty rate.

More protests

Syed Shahrir stressed that the gathering outside Parliament house was not a picket but a gathering of unionists who were keen on knowing first hand the government's attitude towards the working class.

"Whether MTUC will hold more of such gatherings depends on the government's response. This (holding protests) is not a hobby but a responsibility.

"We're not out to score political points. We're out to fulfil our commitment to the workers of this country," he added. Among others, the memorandum also opposed amendments to the Industrial Relations Act and the Trade Union Act which MTUC claims are detrimental to workers.



YB Tian Chua, YB Siti Azizah and Bro. Syed Shahrir at the gathering

The memorandum also states MTUC's eagerness to hold discussions with the prime minister regarding issues affecting workers. Since taking over as prime minister in 2003, Abdullah has never dialogued with MTUC which is the largest umbrella body for trade unions.

Muda Mohd Noor
May 7, 08, Malaysiakini

Education & Training

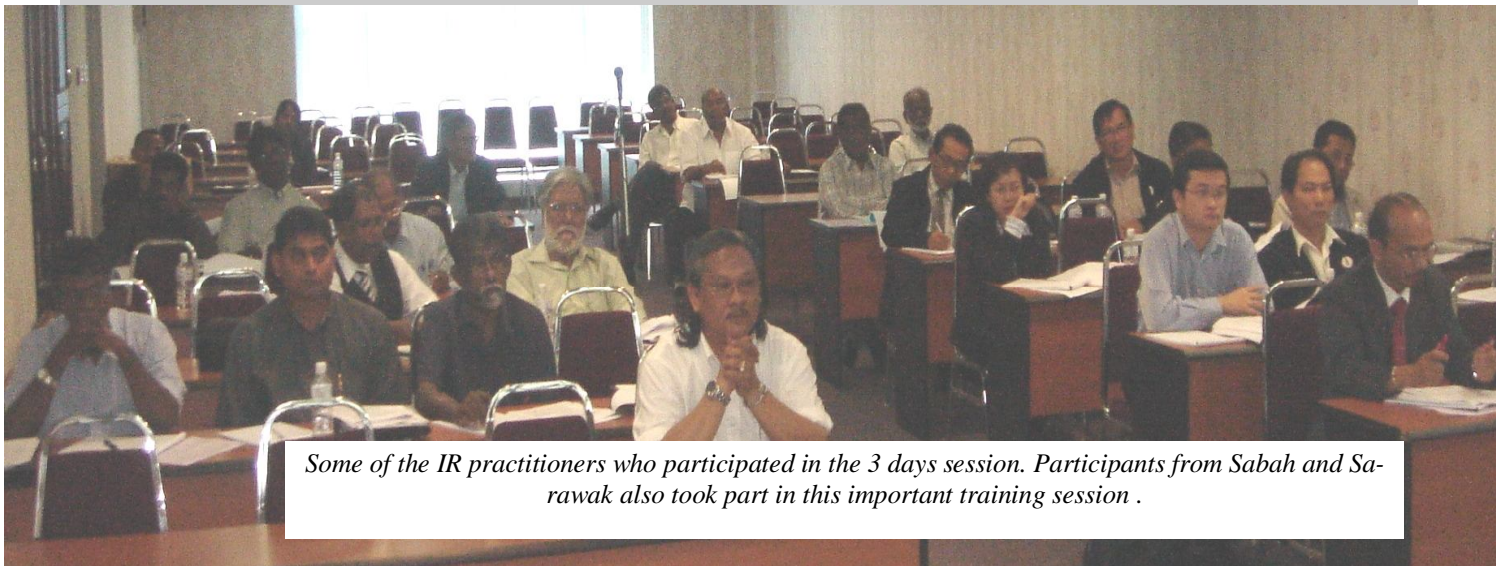
MTUC/ ACILS Training for IR Practitioners on Industrial Court Practices.

The three days course were participated by 27 MTUC IR practitioners was held at MTUC training center from 8th May –10th May 2008. The main objectives was to enhance and improve MTUC IR practitioners performance at the Industrial court. Yang Arif Dato' Umi Kalthum Abdul Majid, President of the Industrial court made some constructive criticism on the short falls of workers reps in Industrial court which need to be observed by IR practitioners for the betterment of the workers so that they will be able to represent workmen better.

She requested the IR practitioners to equip themselves with better skills, knowledge and should be aware of the changes taking place rather then focus on the old stories. In fact the 2/3 of the CPI for CA is not relevant anymore to the current practices-so what and how to put the arguments?

She also highlighted the lack of professionalism among the IR practitioners which led to the inefficiency in handling the cases. She encouraged MTUC to put more effort in training inline with the current needs of courts and urged the practitioners to be

The mock session was handle by Industrial Court Chairman, Y.A.Amelia together with advocates Mr. Anand and Mr V.K Raj.



Some of the IR practitioners who participated in the 3 days session. Participants from Sabah and Sarawak also took part in this important training session .

more practical in accepting the new challenges and ideas.

Meanwhile Mr.Lim Heng Seng briefed the practitioners on advocacy – how to handle dismissal cases. An advocate and solicitor Mr V.K Raj elaborated on the scope of skills and preparation of cases in proper manner according to the law and regulations. He also clearly pointed out that practitioners need to do more parallel study before hand, so that they would be able to convince the court about their cases.



International news

HK-based migrants condemn Korean suppression of MTU **Stop the Crackdown on Migrant Workers!**

"This assault on the leaders of MTU is an obvious plot by the South Korean government to systematically suppress and crackdown on the growing migrant movement in South Korea," said Dolores Balladares, AMCB convenor and chairperson of the United Filipinos in Hong Kong.

This new regime, only aims to continually deny the trade union status of MTU reasoning that undocumented workers, which composed mainly the MTU membership, do not have rights and consequently should not belong to a union. ***"Undocumented migrants are not criminals,"***

Source: Asia Pacific Mission for Migrants (APMM)

China: Some Steps Forward, but Trade-Related Worker Exploitation Persists

Brussels, 21 May 2008: A new ITUC report on respect for core labour standards in China released shows that there remain serious violations of all the core labour standards in the country. The report has been prepared to coincide with China's trade policy review at the WTO on 21 and 23 May.

The new Labour Contract Law that came into force on 1 January 2008 has seen a spectacular increase in arbitration cases in parts of the country like Guangzhou, where much manufacturing for export production takes place. Most districts of Guangzhou have registered a three- to five-fold increase in the number of cases, with one district, Haizhu, seeing a 1500% rise. More than 60% of the new arbitration cases in Guangzhou involve non-payment of wages and over-time. Wage arrears in China as a whole between 2005 and 2007 reached an estimated 66 billion yuan. Many of those affected are migrant workers from poorer regions of China, often in the construction sector.

The new law, which was supported by the official trade union centre ACFTU, was prepared to address the current situation whereby the majority of workers continue to work without signed contracts and those that have signed contracts generally do not receive a copy.

ITUC Online: 099/190508

World AIDS Day – Global Trade Unions Carry Forward Action Programme

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Brussels, 1 December 2006 (ITUC OnLine): With the HIV/AIDS pandemic continuing to wreak havoc in the world of work, the ITUC and its Global Unions partners are intensifying their actions in workplaces around the world and in campaigning at the global level for more effective and comprehensive prevention and treatment measures.

A new Global Unions video "Before It Is Too Late" has been produced, focusing on trade union HIV-AIDS activities in Lesotho as an example of how unions are tackling the issue.

Extracts of the video can be seen at: [Before it's too late](#)

ITUC OnLine 016/0112106

Trade unions demand action on world food crisis

Brussels, 8 May 2008: In response to the deepening global food crisis the ITUC has called on governments and world institutions to take far-reaching measures to guarantee food security for all. "This is an opportunity to completely revamp the failed policies which have led to this crisis, and it is vital that governments and the global institutions do more than just fiddle at the edges of a system which simply isn't delivering for the world's people", said ITUC General Secretary Guy Ryder.

"The factors behind soaring food and agricultural commodity prices are part of the same set of global policies which have resulted in massive global financial instability and intensifying climate change, and these three current global crises must be tackled through root and branch reform and effective regulation that can deliver decent work. Large parts of the global agricultural system are built upon poverty wages and violation of workers' fundamental rights. No durable solution to the crisis can be found unless the appalling worker rights record in global agriculture is addressed", Ryder added.

According to the UN, food prices have risen 57% in one year – and far more in the case of basic foodstuffs – and some 100 million people more than last year are facing serious food shortages. The IMF and World Bank have warned that hundreds of thousands could starve and that a decade of progress in poverty reduction could be cancelled out. Food riots have already spread to over 14 countries, including Haiti, Ivory Coast, Cameroon and Egypt and dozens of people have died. Since higher food prices most strongly affect those on the lower end of the income scale, inequality within countries will increase even further unless vigorous action is taken to protect the purchasing power of workers and the poor in developing countries.

The role of a handful of multinational corporations that now control most the world's agricultural trade must also be borne in mind. Their effect has been to "internationalise" production, consumption and prices of food which has undermined national and local control over the very systems that are supposed to feed people.

ITUC Online, 8 May 2008