

Article: The Challenges Faced by Trade Unions in Improving Employees' Rights And Welfare During The COVID-19 Pandemic

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According to the International Labour Organisations (ILO), of the 3.3 billion workers globally, four out of five employees are affected by the closure of premises either partially or completely. The effects of COVID-19 on employees and workplaces around the world have been striking (Kevin M. Kniffin, Dyson School of Applied Economics and Management, 2020).

According to Kevin M. Kniffin (2020), the lockdowns and ensuing closure of organisations and industries that have been adopted to prevent and slow the spread of the virus caused numerous challenges to employers and employees. According to a survey by Gartner (2020), 229 Human Resources (HR) departments revealed that about one-half of organisations had more than 80% of employees working from home during the early phase of the outbreak of COVID-19. It also approximated long-term rises for work from home after the outbreak.

On 21st May 2021, the Department of Statistics Malaysia released the findings of the Labour Market Review First Quarter 2021. In that survey, unemployment grew from 3.5% in Q1 2020 to 4.8% in Q1 2021 (DOSM 2021). Therefore, employers, trade unions and the government through the Ministry of Human Resources are playing a significant role in solving employees' problems in the workplace during the pandemic. This article will focus on the key challenges faced by trade unions in assisting their members.

Trade unions and their main functions

A trade union is one of the most important entities in the industrial relations system as argued by Dunlop (1958) in his book titled Industrial Relations Systems. Many international and local scholars in industrial relations discussed and debated the importance of trade unions in enhancing the welfare and rights of employees in the workplace (Ayadurai, 2004, 2019; Idrus, 2001; Kuruvilla & Arudsothy, 1995; Parasuraman, 2004, 2006, 2017; Rose, 2002).

Trade unions are not only interested in the lives of their members during working hours. They have also worked to encourage the government to expand legislation and introduce policies that will benefit employees in general. In addition, employees also obtain certain benefits in accordance with the mutual agreements developed between unions and employers, regardless of whether he is a member of the union or not. From an employer's point of view, employees who are members of a trade union can bring both advantages and disadvantages.

Type of Trade Unions in the Private Sector

There are two types of trade unions in the private sector, namely national trade unions and in-house trade unions. Employees can choose to join a national union or in-house union within a company. The national trade union has a large number of members, experienced leadership and sufficient funds to carry out its activities effectively. An in-house union refers to a trade union established in an organisation and only accepts employees who work in the organisation as members.

Private employees' unions also have the right to negotiate through collective bargaining and collective agreement with employers in relation to aspects of employment such as salaries, allowances, gratuities etc. but they do not touch on issues of management prerogatives. In addition, trade unions also have the right to take industrial actions such as strikes, pickets and others as provided by national labour laws meted out in the Industrial Relations Act 1967 and Trade Union Act 1959. If the dispute is not resolved, the private trade union can take the case to the Industrial Court.

Challenges Faced by Trade Unions During the COVID-19 Pandemic

March 18, 2020, is a historical date for Malaysia when the Movement Control Order (MCO) began throughout the country in line with the announcement made by the YAB Prime Minister, Tan Sri Dato' Seri Haji Mahiaddin bin Haji Md Yassin. The MCO was in 2020, Malaysia went through three phases of MCO; the initial stage MCO, Conditional MCO (CMCO) and the Rehabilitation MCO (RMCO).


Since 1st June 2021 however, full lockdown under MCP 3.0 was implemented and this has had a profound impact on all parties. This pandemic demands extraordinary action in matters pertaining to the service sector and it is indeed a huge challenge to trade unions. Some of the challenges faced by trade unions in enhancing the rights and welfare of employees are as follows:

Economic Recession

Throughout the crisis, the Labour Movement has maintained a high degree of industrial harmony. It has convinced employees to sacrifice in order to enjoy better employment benefits in the future. Without the collective spirit and determination of fighting COVID-19 and playing our individual roles, we are unlikely to overcome the worst economic recession since independence easily.

Compared to 2020, our economic prospects look brighter in 2021. The global economic downturn appears to be less protracted than we initially feared. While Europe is still struggling with new waves of COVID-19 cases, the United States is expected to recover strongly this year, following a huge stimulus package introduced by the government and the strong and fast vaccination rates to its population. China's economy is also showing progress, with almost no new cases in the country. These external trends may help in the economic recovery of our own country, thereby justifying optimism in our own forecasts.



In fact, in Malaysia, our unemployment rate is also on a gradual decline. For example, the national economy contracted 28.7 per cent in April 2020, but only 1.7 per cent in December 2020. The unemployment rate has also declined from 5.3 per cent in May 2020 to 4.8 per cent in December 2020.  (htt

With the measures being taken by the government, Malaysia's overall economic position is expected to improve in 2021. According to the World Economic Outlook report by the International Monetary Fund, world GDP in 2021 is projected to recover at 5.5 per cent, while world trade is also projected to grow at 8.1 per cent. The country's economy is also expected to recover in 2021 in line with the recovery in world economic activity and trade.

The pandemic has accelerated trends such as digitalisation, automation and sustainability in all sectors. To seize these opportunities, we need to transform our economy to be ready for a different post-COVID-19 world. Therefore, trade unions have to not only face the current challenges but also be ready for future changes, in order to protect and maintain their members' welfare and rights.

Employers should not use the COVID-19 excuse to deny employees' rights

According to the Malaysian Trades Union Congress (MTUC), employers should not use COVID-19 as an excuse to deny employees' rights. MTUC's Secretary-General J. Solomon said the current situation requires regular engagement between employers and employee representatives, to ensure that illness could be prevented and concerns could be addressed. Both parties need to work together and find a good solution to the current problems (Online, 13 February 2020).

By holding joint engagement sessions both parties will be comfortable and trusting of any actions taken in the workplace. This includes quarantine, if necessary, which should not be seen as discriminatory but done for the sake of protecting employee health. Employers need to take into account the reduction of business activity and movement in affected areas and provide suitable accommodation and technological tools that can enable employees to work remotely, balancing between reducing infection risks and enhancing organisational productivity.

In addition, employers should also strengthen sick leave policies and encourage employees to stay home if they are unwell. According to Section 15 of the Occupational Safety and Health Act 1994, it is the responsibility of the employer to provide a work area for employees that is free from known hazards as well as a safe workplace without any health risk(s). Next, the employer should also educate employees about the signs and symptoms of COVID-19 and measures to minimise the risks of infection. Additionally, they should also implement and evaluate emergency response protocols in the workplace.

Resolve the issue of terminated employees and unemployment

The Secretary-General of MTUC argued that proactive steps need to be taken by the government to address unemployment. MTUC recommended the Emergency Retrenchment Regulations to the government at the beginning of the pandemic in order to reduce retrenchments.

MTUC also called for immediate consultation with the government to enable the act involving employees to be redefined and adapted to the current situation in order to create precise industrial harmony in the workplace. MTUC stressed that the agenda that needs to be implemented and given priority is the amendment to the Employment Act 1955 and the Trade Union Affairs Act 1959. MTUC believes that

meetings and discussions with all relevant parties, whether the government or employers are needed to balance and ensure that employees continue to benefit (Online, 2 January 2021). When layoffs are inevitable, trade unions ensured layoffs were done fairly and responsibly. (http://www.nhrc.com.my)



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Employee's Right

According to Tarumaraja, Halim, Omar, and Hafidz (2017), right is defined as power over something that is determined by law. Thus, an employee's right is legally determined by the employment relationship between the employee and the employer. Customary rights are determined through the process of employment and labour legislation. According to Azhar, Wahab, and Ishak (2015), employee rights are concerned with the negotiation of wages, benefits and safe working conditions. Trade unions are responsible for collective bargaining with employers and negotiating the rights and welfare of employees. In addition, employee rights can determine the decisions and policies implemented. According to the Employment Act 1955, the rights of employees are as follows:

- i. Salary payment procedure
- ii. Working period
- iii. Work overtime
- iv. Total vacation leave
- v. Provision of annual leave
- vi. Sick leave allocation
- vii. Public holidays
- viii. The rights of women employees
- ix. Notice of termination of employment
- x. Additional benefits
- xi. Work from Home

The issues outlined above are important for employees during the pandemic. Both employers and unions will resolve all issues related to employers and employees through genuine negotiations, consultations and discussions. By the end of consultations and negotiations, both parties will stand to benefit, creating industrial harmony in the workplace.

Employee's Welfare

According to Turner and Flannery (2016) employees who join a trade union do so to improve wages and working conditions, as well as ensure equity and due process in the workplace and wider community. They also do so because they are able to identify the values and goals of the union.

Employee welfare is a condition that involves a person's mental, physical, moral and emotional wellbeing. In a Resolution in 1947, the ILO defined employees' welfare as follows:

1. Canteen service
2. Adequate rest and recreation facilities
3. Educational benefits
4. Employees' residence
5. Health
6. Insurance and other facilities



MTUC as representative of trade unions in Malaysia is playing a vital role during the pandemic. Consequently, many of the issues stipulated above will be the number one priority for trade unions. During the collective bargaining process between employers and trade unions, employees' welfare and salary adjustments are core elements. Many companies especially in the service sector have highlighted these issues during the collective bargaining process. The government has also introduced a wage subsidiary scheme for employers in Malaysia regardless of whether they are unionised or non-unionised. This scheme was implemented during the full lockdown period of MCO 1.0 and MCO 3.0. It helped the B40 group employees in small and micro industries.

Conclusion

Based on the discussions above, we concluded that trade unions are playing two significant roles in the welfare and rights of employees. During this difficult time, employers, trade unions and the government, particularly the Ministry of Human Resources should be actively engaging with and understanding each other. The role of trade unions is to focus on efforts and actions that will safeguard the rights and welfare of employees while finding common ground with employers. It is a priority for trade unions so that the employment sector can continue to operate and survive throughout the Movement Control Order (MCO) and beyond.

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The views expressed here are entirely the writer's own.

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