

Unions flex muscles as BN, Pakatan vie for votes
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By Shannon Teoh

KUALA LUMPUR, Oct 7 — Local unions are re-asserting themselves in their quest for more rights and money, using threats of pickets over a key law and tapping rival political coalitions' eagerness to court workers' support ahead of a general election expected early next year.

With Prime Minister Datuk Seri Najib Razak expected to announce an "election budget" later today, the umbrella Malaysian Trades Union Congress (MTUC) has vowed nationwide pickets against amendments to the Employment Act, which it said will allow employers to turn a blind eye to workers' rights.

The Dewan Rakyat passed the changes last night after a five-hour debate.

"Ignoring us could be fatal for Najib," MTUC executive committee member Bruno Pereira told The Malaysian Insider.

Barisan Nasional (BN) has made unprecedented concessions to workers since record losses in Election 2008, where it ceded its customary two-thirds of Parliament and five state governments.

This year alone, the Najib administration has passed a law to set the nation's first minimum wage and promised to raise the mandatory private sector retirement age to 60.

Najib will be keen not to follow Abdullah (right) down the same hole. — Reuters pic
Najib, who is also finance minister, is also expected to announce a major restructuring of civil service wages that will see some of the 1.3 million government servants enjoy pay raises of up to 40 per cent.

But private sector unions have continued to ask for more. The MTUC last week insisted on a base wage of RM1,500 while Maybank employees have held Najib personally responsible over a bonus dispute worth 80 months' pay.

Even Malaysia Airlines (MAS) staff have threatened to picket in December if the controversial share swap with AirAsia is not reversed.

"Elections are coming," said Human Resource Minister Datuk S. Subramaniam candidly when The Malaysian Insider asked why union demands were getting louder.

Just as telling was his refusal to comment further on unions, stating he did not want to create problems.

The importance of union workers is not lost on the opposition either. Pakatan Rakyat's (PR) alternative budget promises a RM1,100 minimum wage and RM12.8 billion worth of direct income stimulus.

With BN garnering just 50.3 per cent of the popular vote in the last election, Najib will be desperate to avoid the pitfalls that his predecessor Tun Abdullah Badawi failed to sidestep.

Pereira said that a key reason why workers turned their backs on BN in 2008 was because the Abdullah administration "rode roughshod on our rights," citing 2007's amendments to the Industrial Relations Act that limited severance compensation to 24 months' pay.

"Since 2008, we have seen more 'labour-aware' MPs who will alert us every time there is a law being proposed that infringes on our rights," he added.

But Malaysian Employers Federation (MEF) executive director Shamsuddin Bardan warned against bending backwards to labour demands.

"Yes, for every one employer there are hundreds of employees. But if the economy suffers, we'll all be in trouble," he said.

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