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MEMO

KSU,

REQUEST FOR APPROVAL FOR MITI'S PARTICIPATION IN AND HOSTING OF ENGAGEMENT SESSION WITH STAKEHOLDERS ON THE AMENDMENTS OF THE TRADE UNION ACT 1959

1.0 OBJECTIVE

- 1.1 The purpose of this Memo is to seek KSU's consideration and approval for the following:
- i. BRS's participation in the engagement sessions with stakeholders on the amendments of Trade Union Act (TUA) 1959, which is being coordinated by the Ministry of Human Resources (MOHR); and
 - ii. MITI to host an engagement session on the amendments of the Trade Union Act 1959 for the Central region, scheduled for 5 September 2023.

2.0 BACKGROUND

- 2.1 The Trade Union Act 1959 (TUA) has been identified as one of the 14 legislative frameworks that requires amendments prior to Malaysia's ratification of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The intention behind this revision is to align the TUA with Malaysia's commitments stipulated in the CPTPP, notably those relating to trade union-related matters, before entry into force of the Agreement.
- 2.2 The process of amending the TUA has been underway since 2021. The Trade Unions (Amendment) Bill 2022 was presented and successfully passed in the Dewan Rakyat on 5 October 2022. The submission of the proposed Amendments to the Dewan Negara, however, was postponed due to the Parliament's dissolution on 10 October 2022, which was a prelude to the 15th General Election (GE15). Adhering to the rules of Parliament, any Bill endorsed by the Dewan Rakyat, pending the Dewan Negara's endorsement during a parliamentary dissolution, necessitates a repetition of the legislative process (including first and second readings) within the Dewan Rakyat.



3.0 YAB PRIME MINISTER'S INSTRUCTION TO MITI

- 3.1 During the Cabinet meeting on 21 June 2023, consensus was reached among Ministers to re-submit the Amendment to the Dewan Rakyat during the forthcoming Parliamentary session in October 2023. Concurrently, YAB Prime Minister instructed MITI to organise an engagement session with stakeholders to assess their support with the proposed TUA amendments. Responding to this directive from YAB Prime Minister, MITI clarified that such an engagement falls within the jurisdiction of the MOHR, the regulatory authority for trade union matters. MITI however has expressed its willingness to cooperate with MOHR and be part in this engagement session.
- 3.2 The Cabinet's decision concerning the re-tabling of the TUA, the directive for MITI to undertake engagement sessions with stakeholders and MITI's subsequent response to the minutes of the Cabinet Meeting held on 21 June 2023 are as per detailed in Annex I.
- 3.3 In line with the Cabinet's directives, the Department of Trade Union Affairs (JHEKS), a subsidiary body under MOHR entrusted with trade union matters, has formally corresponded with MITI on 17 August 2023. The letter outlines the proposed engagement sessions that are to be undertaken before the re-tabling of the TUA in October 2023. The letter is as attached in Annex II for KSU's information and reference.
- 3.4 Specifically, JHEKS has requested a representative from BRS to participate in the upcoming engagement sessions. For information, MITI has been part of all engagement sessions undertaken by JHEKS throughout 2022. In addition, JHEKS is also proposing MITI to host an engagement session for the Central region, scheduled to take place on 5 September 2023. This session is expected to be attended by 70 stakeholders.

4.0 RECOMMENDATION

- 4.1 Recognising the expeditious need to finalise the Amendments of TUA in alignment with Malaysia's commitments under the CPTPP, it is proposed that:
- BRS participates in all the engagement sessions with stakeholders on the amendments of TUA, coordinated by the MOHR and JHEKS; *and*
 - MITI agrees to host an engagement session on the amendments to the TUA for the Central region, scheduled for 5 September 2023.

- 4.2 The funding for BRS' participation in these engagement sessions as well as the hosting of the engagement session for the Central region by MITI will be sourced from BRS' budget allocated under OA 21000 (*Objek Am*), with the current balance as of 21 August 2023 amounting to RM123,276.04.
- 4.3 Upon KSU's endorsement for the recommendations in Paragraphs 4.1 and 4.2, BRS will proceed to send a separate Memo to PKKP to secure the requisite budget allocation, considering that the expected cost falls below the threshold of RM50,000.00.

I forward the Memo for KSU's consideration, please.

Thank you



(SUMATHI BALAKRISHNAN)

Senior Director

Strategic Negotiations Division, MITI

Date 22 August 2023

Copy : TKSU (P)

File Reference : MITI.S.600-4/5/25 Jilid 5 (27)

COMMENTS FROM THE FINANCE DIVISION

Finance Division supports ~~does not support~~ the application for **BRS' PARTICIPATION IN AND THE HOSTING OF AN ENGAGEMENT SESSION WITH STAKEHOLDERS REGARDING THE PROPOSED AMENDMENTS TO THE TRADE UNION ACT 1959** using **BRS' budget** allocated under **OA 21000** (Objek Am), with the current balance as of **21 August 2023** amounting to **RM123,276.04**. The division must ensure the following:

✓	Compliance with the rates specified in the relevant circulars that are in force
✓	Adequate allocation is available for all the future programmes
✓	Compliance with the Government Procurement procedures
	Obtained special confirmation document
✓	Others: To comply with PB 3.1



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(KALITHASAN A/L KALIAPPAN)

Finance Director

Ministry of Investment, Trade and Industry

Date: 28 August 2023



**MITI'S PARTICIPATION IN AND HOSTING OF ENGAGEMENT SESSION
WITH STAKEHOLDERS ON THE AMENDMENTS OF THE TRADE UNION
ACT 1959**

I hereby SUPPORT / DO NOT SUPPORT BRS' recommendations as in
Paragraphs 4.1 and 4.2.

COMMENTS FROM TKSU(P) (if any)

Not long.

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(HAIRIL YAHRI YAACOB)
Deputy Secretary General (Trade)
Ministry of Investment, Trade and Industry

Date:

23/8/23

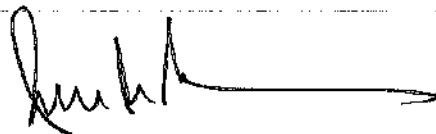
**MITI'S PARTICIPATION IN AND HOSTING OF ENGAGEMENT SESSION
WITH STAKEHOLDERS ON THE AMENDMENTS OF THE TRADE UNION
ACT 1959**

I APPROVE / DO NOT APPROVE BRS' recommendations as in Paragraphs
4.1 and 4.2.

COMMENTS FROM KSU (if any)

might need to resolve this

note.



(DATUK SERI ISHAM ISHAK)

Secretary General

Ministry of Investment, Trade and Industry

Date: *28/08/23*