

INDUSTRIAL RELATIONS IN POST KLAMO AUTHORHI

A CASE STUDY

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SUBMITTED IN PARTIAL FULFILMENT OF TEE
REQUIREMENTS FOR TEE DIPLOMA IN LAV

AT TEE

MARA INSTITUTE OF TECHNOLOGY,

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MARCH 1982

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PREFACE

The object of writing this project paper on Industrial Relations is to examine some disputes on wages and promotion of employees in Port Klang Authority (PKA) after the implementation of the Harun Salaries Report in 1975* The disputes are examined in the context of the broader issues affecting wage negotiations and personnel policy of statutory bodies.

The standardization of wages and conditions of service in statutory bodies in the 1980's has resulted in greater control and created problems of delay, conflict in decision-making among agencies, rigidity in wage settlement and direct confrontation between the Trade Union and the Government. Uniformity in personnel policy, emphasis on paper qualifications in the recruitment of employees and the lack of promotional prospects have failed to attract good staff. Retaining existing staff is also a major problem.

ABSTRACT

This project paper examines the industrial relations in a particular statutory body, viz. the Port Kelang Authority. Industrial relations is social relations in production. This social relationship in production presupposes the existence of three principal parties——employers, workers and the public authority. These parties, in their interaction with one another, in this industrial relations scenario, perform certain functions—the function of managing, the function of utilising the labour power and the function of intervening between employers and workers (or their representatives) either through the execution of laws which govern employment or through the use of persuasion (or authority) to induce the parties to a dispute to conclude their dispute and to settle their problems in a manner desirable under the circumstances.

Prevention of disputes, as much as settlement, is the objective of the Industrial Relations Act, 1967 C Amendment Act 1980). Disputes are bound to arise between those who manage and control and those who work to produce goods and services, because of the conflict between them, where the management wants to have the workman's services for least possible return while the workman wants to get the most he can for his services. This conflict would be resolved only by an abundance of goodwill for one another with the least Government intervention as possible. Such a conflict should be resolved directly by the parties concerned, who must be

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CHAPTER IITHE EXPANSION OF STATUTORY BODIES

The growth in the public sector is accompanied by the expansion of statutory bodies, which are created to undertake various government development projects. The first statutory body was created in 1907 with the establishment of the Labour Fund to recruit and repatriate Indian labourers as the need arose. Eight more statutory bodies were created after the Second World War to provide infrastructure services. They include the Malayan Railway in 1948, the Central Electricity Board (CEB) is now called the National Electricity Board (NEB), in 1949 the Penang Hill Railway in 1950 and the Penang Port Commission (PPC) in 1955. By 1955 there were about 25 statutory bodies in the country.

Under the First and Second Malayan Plans for the period 1956-1960 and 1961-1965 respectively, twenty-eight more statutory bodies were created, mainly to undertake agriculture and land development in the rural areas. Some of these are Federal Land Development Authority (FELDA) and the Federal Agricultural Marketing Authority (FAMA). Under the first Malaysian Plan and Second Malaysian Plan for the period of 1966-1970 and 1971-1975 respectively, an additional 63 statutory bodies were created, with the introduction of the New Economic Policy. These statutory bodies, their main objectives was to eradicate rural poverty. The Government's role of restructuring society was resulted in the creation of statutory bodies to undertake commercial, industrial and regional development. Some of them are the Urban Development Authority (UDA), the various state economic development corporations, the Tourist Development Corporation (TDC), Muda Agricultural Development Authority (MADA), Pahang Tenggara, and the Jengka Triangle. By 1975, there were 116 statutory bodies, with about 50,000 employees, or 15 per cent of the total public employees.