

COMPLAINT on Freedom of Association against the Federal Government of Malaysia regarding the failure to ensure members of IndustriALL Global Union Malaysia affiliates to enjoy adequate protection against acts of interference by companies in Malaysia in law and in practice.

By

IndustriALL Global Union, and the concerned organizations:

- Electronics Industry Employees' Union Northern Region Peninsular Malaysia
- Electronics Industry Employees' Union Southern Region Peninsular Malaysia
- Electronics Industry Employees' Union Western Region Peninsular Malaysia
- Paper and Paper Products Manufacturing Employees Union (PPPMEU)
- National Union of Transport Equipment & Allied Industries Workers (NUTEAIW)

TABLE OF CONTENTS

1. INTRODUCTION	2
2. MALAYSIA'S INTERNATIONAL OBLIGATIONS	2
3. PREVIOUS ILO OBSERVATIONS (CEACR) ON RIGHT TO ORGANIZE AND COLLECTIVE BARGAINING CONVENTION (NO. 98) - MALAYSIA	4
4. FACTS	6
5. COMPLAINTS.....	18
6. REMEDIES	22
7. CUMULATIVE AND STRUCTURAL NATURE OF THE VIOLATIONS.....	24

1. INTRODUCTION

IndustriALL Global Union has 550 affiliates in 130 countries, representing over 50 million workers in the mining, energy and manufacturing sectors, and is a force in global solidarity taking up the fight for better working conditions and trade union rights around the world;

Its affiliate, the Electronics Industry Employees' Union Northern, Southern and Western Regions (EIEUNR, EIEUSR and EIEUWR), representing 7,500 union members from electronics factories in peninsular Malaysia;

Its affiliate, the Paper and Paper Products Manufacturing Employees Union (PPPMEU), representing 2,000 union members in the pulp and paper sectors in Malaysia;

Its affiliate, the National Union of Transport Equipment & Allied Industries Workers (NUTEAIW), representing 10,000 workers in aerospace, automotive and electronics sectors.

IndustriALL Global Union, the EIEU Northern, Southern and Western Regions, PPPMEU and NUTEAIW jointly submit this complaint against the Federal Government of Malaysia (the Government) for failing to ensure that their union members enjoy adequate protection against acts of interference by:

- (1) Flextronics Technology (Penang) Sdn Bhd (FLEX),
- (2) Molex (Malaysia) Sdn. Bhd.,
- (3) Renesas Semiconductor KL Sdn. Bhd.,
- (4) Texas Instrument Malaysia;
- (5) XSD International Paper Sdn Bhd,
- (6) General Aluminium Works (M) Sdn Bhd.;
- (7) Hicom Automotive Manufacturers (Malaysia) Sdn Bhd.;
- (8) Valeo Malaysia Sdn Bhd;
- (9) Boeing Composites Malaysia Sdn. Bhd;
- (10) Nexperia Malaysia Sdn. Bhd.;
- (11) Lumileds Malaysia Sdn Bhd and (12) Wiwynn Technology Service Malaysia Sdn Bhd

2. MALAYSIA'S INTERNATIONAL OBLIGATIONS

Malaysia joined International Labour Organization (ILO) in 1957. The Federal Government of Malaysia has ratified the following ILO fundamental conventions:

- C098 – Right to Organise and Collective Bargaining Convention

- C029 - Forced Labour Convention
- C100 - Equal Remuneration Convention, 1951
- C138 - Minimum Age Convention, 1973 (No. 138)
- C155 - Occupational Safety and Health Convention
- C182 - Worst Forms of Child Labour Convention
- C187 - Promotional Framework for Occupational Safety and Health Convention

By ratifying Convention No. 98, Malaysia is legally bound to:

- Ensure adequate protection against acts of anti-union discrimination (Article 1);
- Ensure protection against acts of interference by employers in the establishment, functioning or administration of workers' organizations (Article 2).

Under established jurisprudence of the Committee on Freedom of Association (the Committee), the Government bears a **positive obligation** not only to refrain from interference, but to take all necessary and appropriate measures to ensure that workers may exercise their right to organize freely and effectively in practice.

The Committee has consistently held that:

- The existence of legislative provisions is insufficient if they are not effectively enforced;
- Protection against anti-union discrimination must be rapid, effective and accompanied by dissuasive sanctions;
- Recognition procedures must be conducted in a climate free from employer interference;
- Excessive administrative or judicial delays may amount to a denial of the right to collective bargaining.

While Malaysia has not ratified Convention No. 87, this does not affect the competence of the Committee on Freedom of Association. The Committee applies the fundamental principles of freedom of association to all ILO Member States, regardless of ratification status.

Therefore, Malaysia is under an obligation to ensure that workers are effectively protected against anti-union discrimination and employer interference in law and in practice.

3. PREVIOUS ILO OBSERVATIONS (CEACR) ON RIGHT TO ORGANIZE AND COLLECTIVE BARGAINING CONVENTION (NO. 98) - MALAYSIA¹

Adopted 2024, published 113rd ILC session (2025)

- The Committee noted the observations by the International Trade Union Confederation (ITUC) on ineffective remedies for anti-union discrimination and lengthy procedures. The Committee also noted that the Conference Committee in 2022 requested the Government to ensure, in law and practice, adequate protection against anti-union discrimination, including through effective and expeditious access to courts, adequate compensation and the imposition of sufficiently dissuasive sanctions.
- It notes however with regret that the Government has not provided the requested information on the outcome and duration of the procedures concerning anti-union discrimination cases. In this respect, the Committee also notes with regret that despite the recent legislative amendments, no changes have been made to section 8 of the IRA, which provides for discretionary powers of the Director-General of Industrial Relations to refer or not a complaint on anti-union discrimination to the Industrial Court, without the workers having the right to access the courts directly
- The Committee once again recalls that effective protection against acts of anti-union discrimination requires rapid and effective procedures and remedies through reinstatement and adequate compensation, as well as sufficiently dissuasive sanctions.
- It also once again urges the Government to take the necessary measures to ensure that workers who are victims of anti-union discrimination have the right to directly lodge a complaint before the courts, and to provide information on the criteria followed by the Director-General of Industrial Relations to determine the actions to take in the treatment of anti-union discrimination cases, including to refer or not the matter to the courts. In this context, it also recalls its recommendation to consider the reversal of the burden of proof once a prima facie case is made.

¹ ILO NORMLEX, 2025, Observation (CEACR) - adopted 2024, published 113rd ILC session (2025), https://normlex.ilo.org/dyn/nrmlx_en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID,P13100_COUNTRY_ID:4416218,102960:NO

- Concerning the Committee's reiterated request to ensure effective protection against undue interference in the recognition process, the Committee notes with regret that the Government limits itself to referring, once again, to the possibility to raise complaints with the Director-General of Industrial Relations (under sections 4, 5, 7 and 8 of the IRA), and that it does not provide information on any such claims that have been successfully brought, or on the measures taken, such as any competences entrusted to the Department of Industrial Relations or other competent authorities, to prevent and address, at their own initiative, acts of interference that may take place during the recognition process. Recalling that the recognition processes should provide safeguards to prevent acts of employer interference, the Committee once again requests the Government to provide information on any specific measures taken to prevent or repress acts of interference during the recognition process
- The Committee recalls its reiterated request, in light of the discussions in the Conference Committee in 2022 and a considerable number of cases considered by the Committee on Freedom of Association over the years, to ensure that the duration of the recognition process is reasonable. Having previously noted that the average duration of the recognition procedure at the Department of Industrial Relations was four to nine months, and that a decision of recognition may be appealed before the courts, the Committee notes that the Government does not provide any up-to-date information on the duration of the recognition procedure, especially as regards those cases that were subject to an appeal before the courts.
- The Committee once again firmly expects the Government to take measures to ensure that the administrative and judicial proceedings for the recognition of trade unions for the purpose of collective bargaining are reasonable. In this respect, it requests the Government to provide detailed information on the duration of the recognition proceedings, under sections 9(4)(A) and 12(A) of the IRA, including those that were treated administratively by the Department of Industrial Relations and those that were appealed and dealt with by the courts, with particular information as regards the number and duration of complaints filed and treated under section 9(1)(A) of the IRA.

4. FACTS

CASE 1: FLEXTRONICS TECHNOLOGY (PENANG) SDN BHD (FLEX)

The Electronic Industry Employees Union Northern Region (EIEUNR) faced union busting actions during the implementation of the secret ballot at Flextronics Technology (Penang) Sdn Bhd (FLEX), which took place on July 14–15, 2025. FLEX workers lodged more than 80 police reports across Penang concerning this union busting.

Due to various intimidations by the company's management, only 2,748 out of 6,345 eligible FLEX workers voted in the secret ballot, which was 424 votes short of the minimum threshold (50%). The complainants submit that, in the absence of employer interference, the outcome of the ballot may have been different, particularly given that 92% of votes cast supported the union.

In the police reports, FLEX workers accused the management of refusing to allow workers to leave the workplace to vote. Verbal warnings were issued by the management, causing fear among the workers and preventing them from participating in the voting process.

The complainants requested the police to investigate and take appropriate action against any form of harassment or pressure imposed on workers by FLEX. They stressed that direct or indirect intimidation from the employer before and during the secret ballot process is a violation of the workers' freedom to exercise their rights in a free and fair atmosphere.

Below is a list of union busting tactics used by FLEX in the months leading up to the secret ballot:

- Managers and supervisors held group briefings with workers to warn them not to support the union;
- Workers were threatened with losing existing benefits if they supported the union;
- A memo was issued about a replacement public holiday on the voting day (July 14), but supervisors verbally told workers not to come to work, causing confusion and uncertainty;
- Security guards prevented workers from accessing the list of eligible voters on the notice board, creating an atmosphere of fear;

- Intentionally delaying company buses and vans to the factory. Upon arrival at the factory, workers were immediately directed to the production area and were not allowed to go to the voting station.

The complainants submit that the actions described above are inconsistent with the Industrial Relations Act 1967, which prohibits employer interference in union activities. EIEUNR lodged an urgent complaint with the Department of Industrial Relations officers on site, but unfortunately, no concrete action was taken to rectify FLEX's anti-union tactics.

CASE 2 : MOLEX (MALAYSIA) SDN BHD

The dispute emerged in Penang in 2022 when employees sought recognition of the Electronics Industry Employees' Union, Northern Region (EIEUNR), an IndustriALL Global Union affiliate, as their legitimate collective bargaining representative. However, Molex management engaged in a series of actions that undermined these rights and created a climate of fear and intimidation among workers.

The conflict intensified in early February 2022, shortly before a scheduled secret ballot to determine whether EIEUNR had majority support among workers. During company-organized briefings and town hall meetings, Molex management warned employees not to vote for the union. Union representatives reported that workers were threatened with the loss of bonuses, benefits, salary increments, and even long-term job security if they supported union recognition. These warnings were widely perceived as coercive and aimed at influencing the outcome of the secret ballot.

As a result of a formal complaint lodged by EIEUNR, the Industrial Relations Department (IRD) suspended the secret ballot pending investigation. Evidence presented by the union included audio recordings in which Molex's human resources director was heard threatening to cut workers' benefits if they voted for the union and instructing managerial and supervisory staff to persuade operators to oppose unionization.

While the IRD indicated it would conduct interviews with workers as part of its investigation, the union raised concerns that holding interviews at the workplace could expose union supporters to further intimidation and retaliation, thereby deepening workers' anxiety and fear. Molex's actions not only violate Malaysian labour laws but also fundamental workers' rights protected under core International Labour Organization (ILO) conventions.

The union argued that the company's interference had caused irreversible damage to the organizing process and denied workers a fair opportunity to freely express their choice. Despite the deep concern of the union, the IRD proceeded with the secret ballot on 14-15 July 2025.

During the secret ballot exercise, MOLEX supervisors and managers instructed workers not to vote for the union, threatened to withdraw existing employee benefits should the union win the secret ballot, restricted employees from accessing to a list of eligible voters on notice boards; and made 14 July as a replacement public holiday despite a prior agreement between the management and the union, an action that could be used to manipulate workers' ability to vote.

EIEUNR lost the secret ballot after the intense employer interference before and during the secret ballot. The complainants submit that such acts are inconsistent with Convention No. 98 on the Right to Organise and Collective Bargaining, which protects workers against anti-union discrimination and interference.

CASE 3 : TEXAS INSTRUMENT MALAYSIA

Texas Instrument Malaysia (TIM) interfered in the secret ballot for union recognition on March 5–6, 2024. Members of the Electronic Industry Employees Union Western Region (EIEUWR) complained that the company campaigned to undermine the secret ballot process.

Several "Roundtable discussions" with groups of workers during working hours were conducted to frighten and threaten workers to undermine the secret ballot process. The complainants submit that the conduct described above constitutes interference within the meaning of sections 4 and 5 of the Industrial Relations Act 1967.

Among the negative expressions during the Roundtable discussions were:

- That the company would cease operations (close shop) if a union was established, as happened to its neighbouring company Stats Chippac Malaysia Sdn Bhd a few years ago.
- Profit sharing and other benefits would be withdrawn.
- Urging workers not to be near the polling room and not to get involved in the voting.

- Strongly encouraging workers to report to the management any workers who support the union.
- Reporting to the management any workers who communicate with other workers exercising their democratic right to cast a vote.

The complainants submit that the actions described above had the effect of interfering with workers' ability to freely exercise their right to establish a union of their choice.

Unfortunately, after EIEUWR complained to the IRD and the police, no firm action was taken against the employer. The complainants submit that the alleged interference significantly affected the conditions necessary for workers to freely exercise their right to organize.

CASE 4 : RENESAS SEMICONDUCTOR KL SDN BHD

In 2009, a pro-tem committee of the Electronics Industry Employees Union Western Region Peninsular Malaysia (EIEUWR) was formed with Wan Noorulazhar bin Mohd. Hanafiah as the president. Wan Noorulazhar was working as a chargeman at Renesas Semiconductor KL Sdn. Bhd. (Renesas) .

In November 2009, the Plant Director told Wan Noorulazhar not to register the regional electronics union. Instead, the company asked him to set up a yellow union with the support of the Human Resource Manager (HRM).

Wan Noorulazhar went on to register the EIEUWR on 1 December 2009. The union sent a claim for recognition to Renesas on 18 January 2010. The company rejected the union's claim.

In March 2010, the company invited members of the Joint Consultative Committee (JCC) of the company to attend a meeting on formation of the yellow union at Cyberview Resort & Spa in Cyberjaya. After that, several JCC members became the pro-tem committee members of the yellow union.

In May 2010, the Senior Human Resources Manager (HRM) offered the position of the president of the yellow union to Wan Noorulazhar. The HRM warned Wan Noorulazhar that he was at risk of dismissal. Despite these demands and threats, he refused to cooperate with the yellow union.

As a result, the management instructed Wan Noorulazhar to work as the assistant to other chargemen and perform tasks irrelevant to his position as chargeman. The HRM also closely monitored his movement through CCTV. In July 2010 another EIEUWR

unionist, Romanza bin Ramli, was transferred out from his department as he refused to support the yellow union.

In April 2011, the company provided special incentives to some employees excluding Wan Noorulazhar and his union colleagues. Wan Noorulazhar was paid only 6 percent out of a maximum 12 per cent in incentives. Other chageman were promoted except Wan Noorulazhar.

On 26 August 2011, the company dismissed Wan Noorulazhar after a domestic inquiry following accusations of him defaming the company through his Facebook account. The union filed a complaint on unfair dismissal against the company.

During the secret ballot exercise, the IRD confirmed that 72.69 per cent of workers were members of EIEUWR. The company challenged the conferment of recognition by the Minister of Human Resources at both the High Court and the Court of Appeal, with both attempts being dismissed by the court.

In 2013, the industrial court judge ruled in 2016 that all company witnesses were not to be believed. She said a worker's right to engage in unionism and to participate in union activities must be respected. Renesas filed a judicial review at the High Court. In August 2017, the High Court judge concurred with the Industrial Court that Renesas had engaged in conduct characterised by the courts as union busting and inconsistent with the Industrial Relations Act.

Renasas filed another judicial review at the Court of Appeal. In October 2017, three sitting judges of the Court of Appeal unanimously dismissed the appeal. The court ordered the company to pay RM10,000 to the EIEUWR including the allocator.

On 24 September 2019, EIEUWR General Secretary Bruno Periera wrote to the Director-General of Industrial Relations, urging him to take action against Renesas for union busting under the section 59 and 60 of the Industrial Relations Act.

The department took statements from both Bruno Periera and Wan Noorulazhar. But no progress has been made after 6 years. No one has been punished for anti-union discrimination in accordance with the law.

CASE 5 : XSD INTERNATIONAL PAPER SDN BHD

In August and September 2025, XSD International Paper Sdn Bhd dismissed twenty union activists from the Paper and Paper Products Manufacturing Employees Union (PPPMEU) with the aim of eliminating the industrial union throughout Malaysia.

PPPMEU won the secret ballot for union recognition with the support of 63.71 percent of XSD workers on July 31, 2025. Following the secret ballot victory, the company met

with union activists and asked them to form an in-house union. The union activists rejected the request.

On August 11, XSD announced that the company was facing a business downturn, and twenty union activists received termination notices. The termination included compensation and pay in lieu of notice, and the workers were required to cease work immediately.

Dissatisfied with these union busting tactics, the union activists filed a complaint with the Malaysian Department of Industrial Relations to demand reinstatement. Another complaint regarding anti-union discrimination will be submitted to the authorities soon.

The complainants submit that the conduct described above is inconsistent with Article 2 of Convention No. 98, which requires protection against acts of employer interference in the establishment, functioning or administration of workers' organisations. The complainants further submit that reinstatement of the dismissed union activists would constitute an appropriate and effective remedy in light of the circumstances described above. The complainants question the consistency of the company's stated justification in light of the continued production activities and overtime reported by workers. The complainants submit that any measures taken following the secret ballot must not have the effect of penalising workers for having exercised their right to organise.

After a protest at the Malaysian parliament house, XSD started to negotiate with the PPPMEU leadership. After a few rounds of negotiations, XSD agreed to reinstate the union activists being dismissed unfairly. On 2nd January 2026, 17 workers were reinstated to original positions.

Despite the subsequent corrective measures taken by the company, the complainants consider it necessary to bring this matter before the Committee in light of the absence of effective intervention by the competent authorities at the time of the dismissals.

CASE 6 : GENERAL ALUMINIUM WORKS (M) SDN BHD

The Paper and Paper Products Manufacturing Employees Union (PPPMEU) submitted a recognition claim to General Aluminium Works (M) Sdn Bhd and won the secret ballot in 2013.

Immediately, the employer challenged the Minister of Human Resources' recognition, arguing that the company could not be categorised under the paper sector. PPPMEU has been waiting for the investigation by the Department of Trade Union Affairs (JHEKS) for several years.

According to the General Aluminium Works (M) Sdn Bhd website, the company does produce many paper products such as paper-based cut lids, paper laminate, paper sachets, PE coated paper, wax coated paper, Mpet board, PE coated boards.

The complainants submit that the prolonged absence of a determination regarding the union's competence has effectively prevented workers from being represented by the relevant sectoral union.

On March 2, 2022, PPPMEU met with Trade Union Affairs Department (TUAD) and IRD officers again about the status of General Aluminium's recognition. Unfortunately, the union did not receive a concrete answer about the recognition at General Aluminium.

The complainants respectfully request that the authorities take the necessary measures to ensure that this long-standing dispute is resolved without further delay, in accordance with Convention No. 98.

CASE 7 : HICOM AUTOMOTIVE MANUFACTURERS (MALAYSIA) SDN BHD

On December 4, 2015, the National Union of Transport Equipment and Allied Industries Workers (NUTEAIW) organised a briefing outside working hours and outside the premises of HICOM Automotive, near the parking area and facing Jalan Pekan and Kuantan, Pahang. The purpose of the briefing was to inform union members about the collective bargaining deadlock with HICOM Automotive.

More than 110 union members gathered in the parking lot outside the HICOM Automotive premises from 5:30 pm to 6:30 pm after working hours. The briefing was conducted smoothly and peacefully. Participants did not prevent anyone from entering or leaving the HICOM Automotive entrance.

After the briefing, HICOM Automotive issued show-cause letters to 32 NUTEAIW members working at the factory. The company claimed that the 32 union members had violated company policy and disciplinary procedures because the briefing had "attracted public attention and given a negative perception of the company".

HICOM Automotive dismissed all 32 union members effective February 5, 2016. After NUTEAIW filed a complaint with the JPP under section 20 of the Industrial Relations Act, 27 union members were successfully reinstated by HICOM Automotive.

However, HICOM Automotive refused to reinstate the 5 worksite committee members—Muhamad Sukeri Bin Mahudin, Rozaimi Bin Mohammad, Mohamad Yusry Bin Othman, Haikhidil Bin Jamaludin, and Nurdin Bin Muda. NUTEAIW views this issue seriously as it is clearly an act of discrimination against the trade union.

The complainants submit that disciplinary action taken in relation to peaceful trade union activities conducted outside working hours raises serious concerns under freedom of association principles, as workers do not sell their labour power outside working hours to the company. If HICOM Automotive does not pay a worker's time, it has no right to question how a worker uses their time, including participating in trade union activities.

The complainants submit that disciplinary measures taken in these circumstances raise serious concerns regarding compatibility with constitutional protections and freedom of association principles mentioned at article 10(1)(a) of the Federal Constitution: - "every citizen has the freedom of speech and expression." The complainants submit that the dismissal of the 5 NUTEAIW members appears inconsistent with Sections 4, 5, and 59(1)(d) of the Industrial Relations Act 1967 and with Article 2(b) of Convention No. 98 on the Right to Organise and Collective Bargaining, which Malaysia has ratified.

In June 2022, the ILO Committee on Freedom of Association (ILO-CFA) ruled that the decision to dismiss union members and leaders on the grounds of having organised or participated in a union meeting, which allegedly attracted public attention and resulted in a negative company image, does not comply with freedom of association and can cause intimidation and hinder the exercise of their trade union functions, regardless of whether the meeting qualifies as a picket or not, as long as the action remains peaceful and guarantees the management's right to enter the company premises.

NUTEAIW filed a union busting complaint under section 59(1)(d) to the JPP. NUTEAIW was informed that the IRD told the representatives of the 5 worksite committee members that the Attorney General's Chambers had rejected the union's application.

If confirmed, such circumstances would raise serious concerns regarding the effective enforcement of anti-union discrimination provisions under national law and Convention No. 98.

CASE 8 : VALEO MALAYSIA SDN BHD

The National Union of Transport Equipment & Allied Industries Workers (NUTEAIW) claimed for recognition from this automotive lighting company and the first secret ballot exercise was held on 14 November 2019.

The union decided to call-off the secret ballot at the eleventh hour because workers were threatened before casting their votes. Valeo told migrant workers that if they voted for NUTEAIW, they would be terminated and deported back to their home

countries. Some workers are willing to come forward and give testimony. The shuttle bus fetching migrant workers was also deliberately delayed on voting day.

After two years, in the secret ballot dated 14 December 2021 to determine the NUTEAIW's claim for recognition at Valeo Malaysia Sdn Bhd, NUTEAIW obtained 56.82 per cent support from 579 employees within the union scope.

Dissatisfied with the ballot result, Valeo filed legal challenges at the high court, the court of appeal and the federal court, asserting that the director-general of the industrial relations department had failed to investigate the company's complaint that the union "brainwashed" the workers.

The high court ruled that the director-general had rightfully accorded the recognition to NUTEAIW and free from procedural impropriety. The court of appeal said the company had failed to provide precise information about the wrongdoing of the director-general within the given two-month period. The federal court rejected Valeo's leave application as the company failed to prove a novel legal question in the challenge.

Although the courts ultimately upheld the recognition process, the repeated legal challenges significantly delayed the effective exercise of collective bargaining rights.

The repeated judicial challenges initiated by the company illustrate how prolonged litigation may significantly delay the effective exercise of collective bargaining rights. The complainants submit that safeguards may be necessary to ensure that judicial review procedures do not undermine freedom of association in practice.

CASE 9 : BOEING COMPOSITES MALAYSIA SDN BHD

On 10 December 2025, the National Union of Transport Equipment and Allied Industries Workers (NUTEAIW) won the secret ballot at Boeing Composites Malaysia Sdn Bhd in Kedah.

Out of 500 eligible employees, 426 employees, representing 85.2%, voted in favour of NUTEAIW as their trade union. The result reflects a clear expression of support for NUTEAIW as the workers' representative.

Since the conclusion of the secret ballot, NUTEAIW has observed a pattern of conduct by the company that raises serious concerns regarding possible interference with workers' freedom of association, contrary to both national law and international labour standards.

The company had, many years prior, established a Joint Consultative Committee (JCC) among employees. While presented as a communication platform, the JCC has

historically functioned as a mechanism to discourage and prevent the formation of an independent trade union.

Numerous reports from workers indicate that middle management personnel and JCC members have exerted pressure on employees that may have discouraged the free exercise of trade union rights. These reports indicate that an atmosphere of fear may have arisen among certain workers.

After the secret ballot was completed and won by NUTEAIW, members of the JCC - together with sections of middle management - have been mobilised to pressure ordinary employees to sign a petition rejecting NUTEAIW. This action is taking place after a lawful democratic process has already concluded, which may have had the effect of undermining the outcome of the secret ballot.

While the Managing Director issued a memo conveying a message of harmony, values, and respect, the actual situation on the ground has sharply deteriorated. The conduct of middle management and JCC representatives directly contradicts the stated commitments to integrity, respect, and ethical behaviour.

The complainants submit that these actions may constitute interference with workers' freely expressed choice and appear inconsistent with Convention No. 98, including retaliation by proxy, and misuse of employee committees to weaken an independent trade union. The conduct described above appears inconsistent with freedom of association principles under Convention No. 98 and relevant national legislation.

CASE 10 : NEXPERIA MALAYSIA SDN BHD

The Electronic Industry Employees Union Southern Region (EIEUSR) won the secret ballot at Nexperia Malaysia Sdn. Bhd. on May 13, 2025, with 95.92% support in the ballot box. Voter turnout was 73.36%.

Since then, EIEUSR has written letters to Nexperia and communicated with its management about collective bargaining. Unfortunately, after eight months, the company is using various excuses to postpone collective bargaining.

In January 2026, the Union received complaints from 4 union members that Nexperia had sent suspension notices pending the internal investigation process regarding the turnstile system. The unionists were smoking outside the factory premises and entered the factory a little late.

The Union has submitted an application to appear in the internal investigation to represent an employee who is a member of the union. However, the employer has

rejected the Union's application on the grounds that the union and the company have not yet completed signing the Collective Agreement.

In February, internal sources indicate that the company intends to weaponize these forced signatures to seek a judicial review of the secret ballot results. The complainants submit that such actions, if confirmed, may have the effect of undermining the freely expressed will of the majority of workers and discouraging the exercise of trade union rights.

The complainants submit that disciplinary measures taken shortly after the successful ballot may have the effect of discouraging the exercise of trade union rights.

CASE 11 : LUMILEDS MALAYSIA SDN BHD

On 27 October 2025, Electronic Industry Employees Union Northern Region (EIEUNR) reported that rank-and-file union leaders from Lumileds Malaysia Sdn Bhd plants in Penang. They provided first-hand accounts of ongoing intimidation, threats, manipulation, and interference by management.

Approximately 200 active employees were intentionally excluded from the voter list, targeting those likely to support the union. Lumileds management instructed migrant workers not to vote in both private and group meetings. Migrant workers were threatened that voting for the union would result in non-renewal of work permits, forced repatriation at their own expense, and loss of company-provided housing.

Lumileds management held compulsory meetings promising wage increases and benefits if workers reject the union. The company linked unionization to potential closure of the plant, bankruptcy, and layoffs. Workers who raised questions were later summoned individually and interrogated by senior managers.

Union supporters were denied bathroom breaks and subjected to disciplinary intimidation. The management falsely accused union leaders of being motivated by personal gain and accepting commissions. Management allegedly made statements suggesting that union communications were improper and that employee communications could be monitored, which contributed to an atmosphere of fear among workers.

Managers directly told employees to vote "NO" or not vote at all. Management offered incentives, benefits, and financial promises to discourage union support. Several union activists reportedly reduced or ceased participation in union activities due to fear of reprisals.

Despite all the threats, EIEUNR won the secret ballot for union recognition on 4-7 November 2025 with support of nearly 70% eligible workers.

Several weeks after the election victory, Lumileds reportedly engaged in further acts of intimidation affecting both local and migrant workers. A worksite committee member of EIEUNR, Sukhairul Bin Khalid, spoke out against the intimidation and was subsequently summoned for a disciplinary hearing and dismissed. Sukhairul was forced out of the company accommodation and slept in his car.

Lumileds also terminated the contract of a few migrant workers, deported them back to their country of origin. The company is also starting disciplinary proceedings against the worksite committee chairman Syahnorizal Bin Abdul Hamid.

CASE 12 : WIWYNN TECHNOLOGY SERVICE MALAYSIA SDN BHD

After the Electronics Industry Employees Union Southern Region (EIEUSR) sent a claim for recognition to Wiwynn Technology Service Malaysia Sdn Bhd, the Industrial Relations Department scheduled a secret ballot on 25 November 2025.

During the campaigning period, the company officers seized union leaflets and contacted Senai Airport City (SAC) to prevent the union from conducting campaigns outside the company premises. The company arranged a human resources officer to station at a desk in front of the notice board, this caused anxiety and fear among employees to check their names in the voter list.

Moreover, the voter list given to the security guards at the guard house was different from the voter list issued by the department, resulting in some employees being prevented from entering the voting station to cast their votes. Company managers, including the Plant Manager intimidated employees and prevented them from leaving the production area and casting their votes.

In another attempt to thwart the fair election, WiWynn management announced that it was going to close Plant 1 on the 24th and 25th of November. The complainants submit that this announcement had the effect of significantly discouraging worker participation in the ballot.

In response to a complaint lodged by the union, the Malaysian authorities insisted that WiWynn keep the plants operating for those days. Subsequently, WiWynn management announced that it would offer everyone in the plant one leave with pay for those two days — essentially paying the workers two days' pay to not have them come to work where it would be easy for them to vote.

At the same time, the company arranged to have the only polling station be in Plant 1. Workers were only permitted to vote on their breaks and so it was almost impossible for workers from plant 2 — where a majority of the workers work — to make their way to the polling station.

On the election day, WiWynn management refused to unlock doors that would have made it much easier for workers at Plant 2 to make their way to the polling station in Plant 1. As a result, workers would have to walk the long way around to get to a far entrance through rain.

Auxiliary police of the Senai Airport City Services Sdn Bhd were also deployed at the entrances of the Free Trade Zone. The presence of auxiliary police reportedly contributed to a chilling effect that may have discouraged employees from fully exercising their rights. The reported level of auxiliary police presence significantly deviated from established operational norms and was perceived by workers as intimidating.

In the days leading up to the vote, WiWynn managers told union supporters in both plants that there would be no wage increment and overtime for union supporters. They told the workers that their activities were all being carefully monitored by management.

The complainants submit that the company's conduct may have materially affected the conditions necessary for a free and fair ballot. After several hours of the polling station being 'open' (even if it was inaccessible), only a little over 100 of more than 1600 eligible voters had voted.

The complainants submit that the cumulative effect of the measures described above significantly undermined the conditions necessary for a free and fair ballot. In light of these circumstances, the union decided to withdraw from the ballot process as a form of protest.

5. COMPLAINTS

As a State party to ILO Convention No. 98 on the Right to Organise and Collective Bargaining, the Government of Malaysia is under a legal obligation to ensure that workers enjoy effective protection against acts of anti-union discrimination and employer interference, both in law and in practice.

The complainants submit that the cases described above demonstrate not isolated incidents, but a recurring and systemic failure to ensure such protection.

1. Systematic employer interference in secret ballot and recognition processes

Several cases (including FLEX, Molex, Texas Instruments, Valeo, Lumileds and Wiyynn) demonstrate serious employer interference during recognition and secret ballot procedures.

Employers engaged in conduct including:

- Threats of loss of benefits, increments or bonuses;
- Threats of termination or factory closure;
- Targeting of migrant workers through threats of deportation or non-renewal of permits;
- Organising meetings during working hours discouraging union support;
- Creating logistical and physical obstacles affecting workers' ability to vote.

Such conduct constitutes interference contrary to sections 4, 5 and 7 of the Industrial Relations Act 1967 and is incompatible with Articles 1 and 2 of Convention No. 98.

Despite complaints lodged with the competent authorities, the complainants are not aware of effective preventive or corrective measures having been taken to ensure that these recognition processes were conducted in a climate free from intimidation and interference.

The repeated occurrence of similar conduct across multiple sectors suggests structural weaknesses in enforcement.

2. Retaliation against union activists and members

In cases including XSD, Nexperia and Lumileds, union activists and members were dismissed, suspended or subjected to disciplinary measures following union organising activities or successful recognition processes.

Section 59 of the Industrial Relations Act prohibits employers from dismissing, injuring or prejudicing workers by reason of union membership or participation in union activities.

However, while the law provides for sanctions, enforcement has not been effective in practice. Investigations have not led to dissuasive penalties, and remedies have not been timely.

The launch of petitions to reverse recognition outcomes (Boeing) and disciplinary actions targeting union representatives (Nexperia, Lumileds) further demonstrate the chilling effect created by the absence of effective protection.

The complainants submit that the failure to ensure effective application of section 59 undermines the protection required under Article 1 of Convention No. 98.

3. Suppression of legitimate trade union activity and collective bargaining

The Hicom case illustrates punitive action taken against union members for engaging in peaceful trade union activities outside working hours.

Despite the previous decision of the ILO Committee on Freedom of Association finding that dismissals of union members in similar circumstances are incompatible with freedom of association principles, the relevant authorities did not ensure full reinstatement or effective enforcement of protection.

The failure to secure compliance in such cases contributes to an environment in which legitimate trade union activities are discouraged.

4. Judicial obstruction and excessive delays

In cases such as Renesas, Valeo and Boeing, employers engaged in repeated judicial challenges, including proceedings before the High Court, Court of Appeal and Federal Court.

While access to judicial review is part of the legal system, the cumulative effect of prolonged litigation has significantly delayed recognition and collective bargaining.

The Renesas case illustrates a pattern of judicial harassment extending over many years, despite repeated findings in favour of the union.

Similarly, the example of the Sabah Timber Industry Employees Union (STIEU), where recognition was delayed for 13 years, demonstrates how excessive delays may effectively amount to a denial of collective bargaining, as recognised by the ILO Committee on Freedom of Association.

The complainants submit that the authorities have failed to take measures to prevent or mitigate such excessive delays.

5. Failure to determine union competence and administrative inaction

In the General Aluminium case, the failure of the authorities to determine the competence of the trade union under section 9(4A) of the Industrial Relations Act has resulted in a delay of more than a decade in the recognition process.

Section 9(4A) empowers the Director General to ascertain the competence of a trade union seeking recognition. The prolonged absence of a determination has effectively prevented workers from exercising their right to organise and bargain collectively.

Such administrative inaction is incompatible with the obligation to ensure effective protection in practice.

6. Lack of effective enforcement and remedies

Across the cases described:

- Complaints were lodged with the Industrial Relations Department;
- Investigations were reportedly ongoing without conclusive outcomes;
- Authorities relied on conciliation mechanisms rather than enforcement;
- Sanctions under section 59 were not effectively pursued.

In certain instances, complaints supported by substantial evidence did not result in prosecution or dissuasive penalties.

The complainants submit that the repeated absence of effective enforcement has created a climate of impunity and fails to meet the requirement under Convention No. 98 that workers shall enjoy adequate protection against acts of anti-union discrimination and interference.

The cumulative effect of the above conduct demonstrates violations of:

Article 1, which requires protection against acts calculated to:

- Make employment conditional upon non-membership in a union;
- Cause dismissal or prejudice by reason of union membership or participation in union activities.

Article 2, which requires protection against acts of interference by employers in the establishment, functioning or administration of workers' organizations.

The complainants therefore submit that the Government of Malaysia has failed to ensure effective and adequate protection as required under Convention No. 98.

6. REMEDIES

The complainants respectfully request the Committee on Freedom of Association to recommend that the Government of Malaysia take the following measures in order to ensure effective compliance in practice with Convention No. 98 and freedom of association principles:

1. Recognition and secret ballot procedures

Take all necessary measures to ensure that recognition and secret ballot procedures are conducted in conditions genuinely free from employer interference, intimidation, retaliation or obstruction, including through:

- Preventive monitoring by the competent authorities;
- Immediate intervention where interference is alleged;
- Clear safeguards to guarantee workers' free and confidential participation.

2. Prompt and effective investigations

Ensure that all allegations of anti-union discrimination and employer interference are:

- Investigated promptly and impartially;
- Subject to clear procedural timelines;
- Concluded with reasoned decisions.

The Committee is requested to urge the Government to provide information on the outcome and duration of investigations in the cases referred to in this complaint.

3. Effective, proportionate and dissuasive sanctions

Ensure that acts of anti-union discrimination and interference are met in practice with sanctions that are:

- Effective,
- Proportionate to the gravity of the violation,

- Sufficiently dissuasive to prevent recurrence.

The complainants request that the Committee call upon the Government to ensure that section 59 of the Industrial Relations Act is effectively applied in appropriate cases.

4. Rapid and effective remedies for affected workers

Ensure that workers subjected to anti-union discrimination have access to rapid and effective remedies, including where appropriate:

- Reinstatement without loss of seniority or benefits;
- Adequate compensation;
- Protection against further retaliation.

The complainants further request that the Committee emphasize the importance of ensuring that remedies are not rendered ineffective by excessive procedural delays.

5. Prevention of excessive administrative and judicial delays

Take measures to ensure that administrative and judicial proceedings relating to union recognition and collective bargaining are concluded within reasonable timeframes.

The complainants request that the Committee invite the Government to provide detailed information on:

- The average duration of recognition proceedings;
- The duration of cases subject to judicial review;
- Reform measures to restrict employers applying judicial reviews on matters relating workers' autonomy, including participation in unions and expression of their support to unions through secret ballot;
- Measures taken to prevent delays from undermining collective bargaining rights.

6. Protection of migrant workers

Ensure specific and effective protection for migrant workers against anti-union discrimination, including protection against:

- Threats of deportation,
- Non-renewal of work permits,

- Loss of housing or other employment-related benefits.

Given the heightened vulnerability of migrant workers, the complainants request that the Committee underline the need for particular vigilance and enforcement in such cases.

7. Strengthening enforcement mechanisms

Review and, where necessary, strengthen enforcement mechanisms under the Industrial Relations Act to ensure that anti-union discrimination provisions are effectively implemented in practice, including:

- Clear criteria guiding the exercise of discretionary powers;
- Transparent reporting on complaints and outcomes;
- Measures to ensure that workers have effective access to remedies.

8. Follow-up and reporting

The complainants respectfully request that the Committee:

- Invite the Government to report on the measures taken in response to these recommendations within a specified timeframe;
- Continue to examine this matter until effective progress is demonstrated.

The complainants further submit that the above violations must be assessed in their cumulative and structural dimension.

7. CUMULATIVE AND STRUCTURAL NATURE OF THE VIOLATIONS

The complainants respectfully submit that the cases described in this complaint do not constitute isolated or unrelated incidents. Rather, when examined cumulatively, they demonstrate a recurring pattern of interference, retaliation, administrative inaction and excessive delay across multiple sectors of the Malaysian economy.

The twelve cases presented concern companies operating in the electronics, automotive, aerospace and paper sectors. They involve both local and multinational enterprises and span several years. Despite differences in factual circumstances, the cases reveal common features, including:

- Employer interference during recognition and secret ballot procedures;

- Threats of loss of employment benefits, factory closure or termination;
- Targeting of migrant workers through threats of deportation or non-renewal of work permits;
- Retaliatory dismissals or suspensions following union organising or recognition;
- Prolonged judicial challenges delaying recognition and collective bargaining;
- Administrative inaction or lack of effective enforcement by competent authorities.

The repetition of similar patterns across sectors and over time indicates structural deficiencies in the practical enforcement of protections guaranteed under Convention No. 98.

The complainants further note that the Committee of Experts on the Application of Conventions and Recommendations (CEACR), in its 2024 observations, expressed concern regarding ineffective remedies, lengthy procedures, and insufficiently dissuasive sanctions in cases of anti-union discrimination in Malaysia. The issues raised in the present complaint reflect those same concerns and demonstrate that the deficiencies identified at the supervisory level persist in practice.

In several instances, judicial proceedings have confirmed employer misconduct. However, even where courts have ruled in favour of trade unions, effective enforcement and sanctions have not consistently followed. This gap between legal recognition and practical enforcement undermines the effectiveness of protection guaranteed under Convention No. 98.

The cumulative effect of repeated interference, delays, and lack of effective remedies creates a climate in which workers may reasonably fear retaliation for exercising their right to organize. Such an environment is incompatible with the requirement that workers enjoy adequate and effective protection against acts of anti-union discrimination and interference.

The complainants therefore submit that this matter raises not only individual disputes but broader structural issues concerning the effective implementation in practice of Malaysia's obligations under Convention No. 98 and freedom of association principles.

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