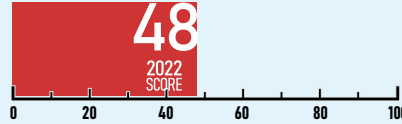


Malaysia



50 2020 SCORE

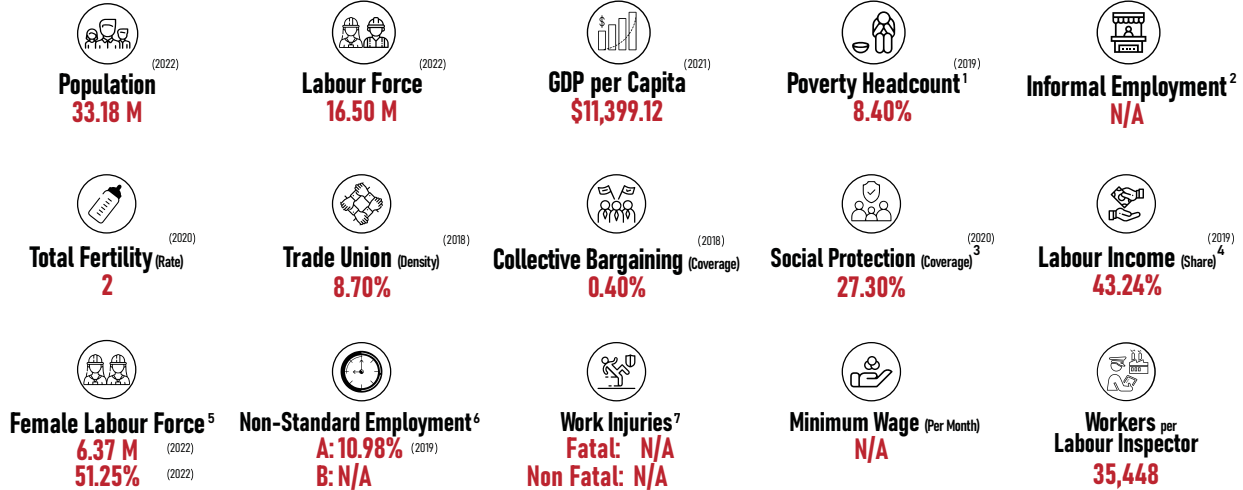
South East Asia

Upper-middle income

Total Lack of Decent Work

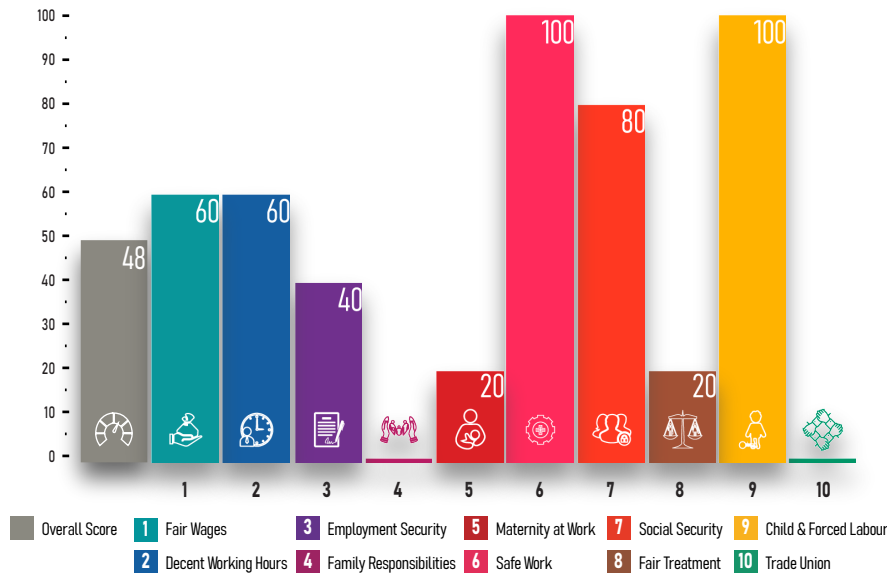


Contextual Indicators



Sources: World Bank
International Labour Organization
WageIndicator Minimum Wages and Living Wages Database
M = Million

Legislative Performance Indicators



Introduction

The Labour Rights Index 2022 (LRI 2022) is a de-jure index covering 135 economies and structured around the working lifespan of a worker. In total, 46 questions or evaluation criteria are scored across 10 indicators. The overall score is calculated by taking the average of each indicator, with 100 being the highest possible score. The Index uses a rating system, ranging from "Total Lack of Decent Work" to "Decent Work". The Labour Rights Index aims at an active contribution to the Sustainable Development Goals, by providing necessary (complementary) insights into de jure provisions on issues covered in particular by SDG8 (Decent Jobs), SDG 5 (Gender Equality), SDG 10 (Reduced Inequalities) and SDG 16 (Strong Institutions). The Index is based on national labour legislation, applicable on 1 January 2022. The Index does not take into account COVID-19 related labour market measures in its scoring.

Malaysia's overall score is 48 out of 100. The overall score for Malaysia is lower than the regional average observed across South East Asia (62.33). Within the South East Asia region, the highest score is observed for Viet Nam (75).

¹ Proportion of population living below the national poverty line (%), as measured under SDG 1.2.1

² Share of informal employment in total employment (%), as measured under SDG 8.3.1

³ Proportion of the country population covered by social protection floors, as measured under SDG 1.3.1

⁴ Labour income (income of employees + partly income of the self-employed) as a percentage of GDP, as measured under SDG 10.4.1

⁵ The female labour force is shown in absolute number along with the female labour force participation rate

⁶ Non-Standard Employment has been defined as Part-Time Employment (A) and Temporary Employment (B)

⁷ Rate of fatal and non-fatal injuries per 100,000 workers, as measured under SDG 8.8.1

The country rating is based on the overall score of 0-100, with the following coding:

(90.5-100) Decent Work | (80.5-90) Approaching Decent Work | (70.5-80) Reasonable Access to Decent Work | (60.5-70) Limited Access to Decent Work | (50.5-60) Basic Access to Decent Work | (0-50) Total Lack of Decent Work

LABOUR RIGHTS INDEX 2022

	Question ⁹	Answer	Legal Basis	Trend ¹²
1. Fair Wages	Does the law prescribe minimum wage rates in the country?	Yes	Minimum Wages Order 2020; §2, 23, 43-47 of the National Wages Consultative Council 2011	●
	Does the law require regular payment of wages?	Yes	§2 & 18-24 of the Employment Act 1955; Regulation 9 of the Employment Regulations 1957	●
	Does the law require overtime compensation be at least 125% of the regular hourly rate?	Yes	§60A (3) of the Employment Act 1955 (Act 265)	●
	Does the law require additional compensation for working on a weekly rest day?	No	§59 & 60D of the Employment Act 1955(Act 265)	●
2. Decent Working hours	Does the law require additional compensation for night work?	No	No applicable legal provisions could be located	●
	Does the law stipulate general working hours as 48 hours or lower?	Yes	§59, 60A, and 60D of the Employment Act 1955 (Act 265); Regulation 2 of Employment Regulations 1980	●
	Does the law restrict maximum working hours including overtime to 56 hours per week?	No	§60A(3(C)) of the Employment Act 1955 (Act 265)	●
	Does the law require a weekly rest of at least 24 hours?	Yes	§59 of the Employment Act 1955 (Act 265)	●
	Does the law require paid public holidays?	Yes	§60D of the Employment Act 1955 (Act 265); §8 and 9 of the Holiday Act 1951 (Act 396)	●
3. Employment Security	Does the law require at least three working weeks of paid annual leave?	No	§14(1)(a) and 60E of the Employment Act 1955(Act 265)	●
	Does the law require written employment contracts or at least written employment particulars?	Yes	§2, 10 & 61 of the Employment Act 1955 (Act 265)	●
	Does the law restrict the hiring of fixed-term contract workers?	No	§11 of the Employment Act 1955 (Act 265)	●
	Does the law limit the length of probation period including renewals to a maximum of 3 months?	No	No applicable legal provisions could be located	●
	Does the law require a 30-day notice before contract termination?	Yes	§122-15 and 81E of the Employment Act 1955 (Act 265)	●
4. Family Responsibilities	Does the law require severance pay at the rate of at least 2 weeks of wages for every year of service?	No	Regulations 1-6 of the Employment (Termination and Lay-off Benefits) Regulations 1980	●
	Does the law require parental leave for parents?	No	No applicable legal provisions could be located	●
	Does the law require at least one week of paid paternity leave for fathers?	No	No applicable legal provisions could be located	●
	Does the law require flexible work arrangements for workers with family responsibilities?	No	No applicable legal provisions could be located	●
5. Maternity at Work	Does the law require paid nursing breaks?	No	No applicable legal provisions could be located	●
	Does the law prohibit inquiring about pregnancy during recruitment?	No	No applicable legal prohibitions could be located	●
	Does the law require paid maternity leave of at least 14 weeks?	No	§37 & 43 of the Employment Act 1955 (Act 265)	●
	Does the law require cash maternity benefit be at least 67% of a worker's former wage?	Yes	§37-44A of the Employment Act 1955 (Act 265); Maternity Allowance Regulations 1976	●
	Does the law require maternity benefit be paid through contributory social insurance or universal benefits system?	No	§37 of the Employment Act 1955 (Act 265)	●
6. Safe Work	Does the law protect workers from dismissals during or on account of pregnancy?	No	§37(4) & 42 of the Employment Act 1955 (Act 265)	●
	Does the law require provision of free personal protective equipment to workers from employer?	Yes	§24 of the Factories & Machinery Act 1967; §24 & 26 of the Occupational Safety & Health Act 1994	●
	Does the law require the employer to train workers on health and safety issues?	Yes	§26 of the Factories & Machinery Act 1967; §15 of the Occupational Safety & Health Act 1994	●
	Does the law restrict work that is prejudicial to the health of the mother or the child?	Yes	§37 & 43 of the Employment Act 1955 (Act 265)	●
	Does the law provide for employment injury benefit?	Yes	Employees' Social Security Act 1969; ISSA Country Profile for Malaysia	●
7. Social Security	Does the law provide for an old age pension?	Yes	Minimum Retirement Age Act 2012; Employees Provident Fund (EPF) Act 1991	●
	Does the law provide for a dependants/survivors' pension?	Yes	§20A of the Employees' Social Security Act 1969	●
	Does the law provide for unemployment benefit?	Yes	§16-20 & 21 of the Employees' Social Security Act 1969	●
	Does the law require paid sick leave for the first 6 months of sickness?	No	§60F and 15(2) of the Employment Act 1955 (Act 265)	●
	Does the law provide for invalidity benefit?	Yes	§16-20 & 21 of the Employees' Social Security Act 1969	●
8. Fair Treatment	Does the law require equal remuneration for work of equal value?	No	§8 of the Federal Constitution of Malaysia 1957	●
	Does the law prohibit sexual harassment in employment?	No	§81A-G of the Employment Act 1955 (Act 265); §509 of the Penal Code 1936 (Act 574)	●
	Does the law prohibit discrimination in employment matters? ¹⁰	No	§8 of the Federal Constitution of Malaysia 1957; §60(L)(1) of the Employment Act 1955	●
	Does the law allow women to do the same jobs as men?	No	§8 of the Federal Constitution of Malaysia 1957	●
	Does the law guarantee basic labour protections for gig economy workers?	Yes	Employees' Social Security Act 1969; ISSA Country Profile for Malaysia	●
9. Child and Forced Labour	Does the law prohibit employment of children?	Yes	§1A and 2(2A) of the Children and Young Persons (Employment) Amendment Act 2019 (Act A 1586)	●
	Does the law set employment entry age equal to or higher than the compulsory schooling age?	Yes	§29A of the Education Act, 1992	●
	Does the law prohibit the employment of children in hazardous work under the age of 18 years?	Yes	Children and Young Persons (Employment) Amendment Act 2019 (Act A1586)	●
	Does the law prohibit forced labour?	Yes	§6 of the Federal Constitution of Malaysia 1957; Section 374 of the Penal Code 1936 (Act 574)	●
10. Trade Union	Does the law allow workers to form and join unions of their own choice?	No	§10 of the Federal Constitution of Malaysia 1957; §27 of Trade Union Act 1959; Industrial Relations Act 1967	●
	Does the law allow workers to bargain collectively with employers through their representative unions?	No	§9 & 13-17 of the Industrial Relations Act 1967; CEACR C98 Obs. 2021	●
	Does the law provide for the right to strike?	No	§25A of the Trade Union Act 1959; §38-50 of the Industrial Relations Act 1967	●
	Does the law prohibit employers from terminating employment contracts of striking workers?	No	§46 of the Industrial Relations Act 1967	●

Covid 19 and Labour Market in Malaysia*

Total Covid Cases	4.63 Million
Total Covid Deaths	35,870
Partial Vaccinated	88.0%
Fully Vaccinated	86.0%

Wage Subsidies	✓
Social Security Contributions (deferrals/waivers)	✓
Paid Sick Leave	✓
Add. Unemployment Benefits	✓

Protection from Dismissals	✗
Telework/flexible work	✗
Improved Health Access	✗
Training (activation measures)	✓

⁹ The Index has 10 indicators and 46 evaluation criteria or questions.

¹⁰ The prohibited grounds for discrimination are "race, colour, sex, religion, political opinion, national extraction or social origin, age, disability and trade union membership". A score of 1 is assigned only if a country has prohibited discrimination on at least 7 of the above 10 grounds.

¹¹ A country's score on LRI's Trade Union indicator must also be read together SDG indicator 8.8.2 which measures the level of national compliance with labour rights (freedom of association and collective bargaining) based on ILO textual sources and national legislation. It has a range from 0 to 10, with 0 being the best possible score (indicating higher levels of compliance with FACB rights) and 10 the worst (indicating lower levels of compliance with FACB rights). No score is available for the Malaysia on SDG 8.8.2

The Index uses Observations/Direct Requests from ILO CEACR and the US Department of State's Country Reports on Human Rights Practices (US DOS CHRHP) to measure a country's compliance on the Trade Union indicator.

¹² In order to measure the trend in country's legislative performance over the last edition of the Labour Rights Index (2020), the legislative table indicates improvement or worsening of labour rights in country through the following colours.

- Score increase
- Score decrease
- Score adjustment
- No change