



JABATAN TENAGA KERJA
SEMANJANG MALAYSIA

POLICY BRIEFING: LABOUR INSPECTION & ENFORCEMENT SERIES

JAWATANKUASA PENASIHAT &
KONSULTATIF PERBURUHAN
Bahagian Dasar & Perancangan Strategik, JTKSM

VOLUME I
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Themes

Strengthening Labour Inspection System and Ensuring Workplace Compliance

ILO Observation on Malaysia Labour Inspection

Inspection Visit

- Majority of visits announced
- Large amount of information collected
- Adequate equipment to carry out visits but lack of personal protective equipment (PPE)
- Limited number of visits per inspector
- Limited contact with worker

Coordination & Co-operation

- Limited coordination between relevant Gov departments and agencies
- National Labour Advisory Council is not meeting
- Limited consultation with social partners at policy and strategic setting level (especially at State level)
- Joint visits lacked structure and collaboration
- Good quality control of State and District offices

Labour Inspection Function

- Labour inspectors have multiple functions
- Some tasks inconsistent with the labour inspection function (hearing proceedings, preparation of notes of appeal in labour court, calculation of foreign workers' compensation)

- Multiplication of tasks limits inspection of workplaces

Resources

- Nationwide office coverage
- Offices generally well equipped
- Lack of human resources
- Training plan and offerings for inspectors limited
- Limited legal expertise
- Lack of incentives for advancement
- Retention is a challenge
- Geographic rotation of officers is positive

Data & Information Management

- Inspectors collect extensive workplace information
- Electronic database exist but in isolation
- Fragmentation, potential duplication or inconsistent information
- Exchange of information on *ad hoc* basis
- Procedures not efficient (manual uploading of information into the systems by inspectors)
- Consolidation of national labour market information positive development

Quick Facts 2016:

No. of Labour Inspector	315
No. of Inspection	33,788
No. of Establishment	816,597
No. of Labour Inspector Vacancies (as at June 2017)	47

ILO Benchmark for ideal number of officers

Transition Market 1/20,000

Employees per officer (Malaysia): 1/35,078



Inspection operation with employer



Inspection and interview session with employer

Challenges

Unreliable data

Information collected does not support labour inspection planning.

Labour inspectors have multiple functions and tasks

Discourage inspectors to be subject matter experts

Lack of human resources (Article 10)

Not enough numbers of labour officers to cater employees in Malaysia

Incompetent Labour Officers (lacking in knowledge and soft skills)

Complaints on Labour Officers not being able to convey accurate information and lacking in communication and professional

Competent Authority not meeting its role

The need for a higher body to govern the Labour Inspection System (Article 5 C.81)

Poor coordination of enforcement teams and their tasks/functions

Inspections done not meeting its purpose

Lack of understanding on labour inspection's purposes and the spirit that stands behind it – quantity over quality

High expectations from public

Raise in awareness among employees give pressure to labour inspectors to give prompt responses and meet clients' expectations – in all aspects



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Responses

The labour inspection system in Malaysia currently consists of:

- Pasukan Khas Penguatkuasaan (PKP) or Special Enforcement Team (890 operations till Sept 2017)
- Skuad Khidmat Cepat (SKC) or Flying Squad
- Integrated inspection (1 Visit Policy, Collaboration with HRDF) (144 inspections till Sept 2017)
- Statutory inspection (25,715 inspections till Sept 2017)
- Minimum Wage inspection (22,654 inspections till Sept 2017)
- Complaint Cases inspection (3,155 cases till Sept 2017)
- Application inspection such as:
 1. Foreign Workers Verification (8,259 applications till Sept 2017)
 2. Private Employment Agency License (465 applications till Sept 2017)
 3. Permit (2,108 applications till Sept 2017)

Purpose of Inspection

- To protect and promote interest of workers by ensuring compliance of the labour laws by employers;
- To inform employers and employees on the current rules, regulations and policies of the government on labour and employment;
- To collect data and information; and
- To promote services to the rakyat.

Best Practices

Brazil

- **Reliable databases** - effective “intelligence” system for identifying which enterprises are to be inspected, collecting and systematising information on completed inspections. (e.g Federal System of Labour Inspection (SFIT), the Information System on Child Labour Hotspots (SITI), and the Slave Labour Monitoring System (SISACTE)).
- **Adaptation** of the Special Group of Mobile Inspection model. (e.g National Mobile Group- combating forced labour to the maritime sector).
- **Coordination with other government entities** and the State can significantly boost inspection results.
- **Labour inspection which coordinated with social partners.**

Labour Inspection At A Glance

What is Labour Inspection?

- Essential part of labour administration system.
- Exercising fundamental function of labour law enforcement and effective compliance.
- Has twofold nature (a) supervises the enforcement of legal provisions, particularly with regard to workers rights ; (b) provides information and advice, as well as training.

Labour inspection is a public function organized by the State As such:

- Labour Inspectorate is the government’s “competent body” charged with organizing and managing the labour inspection services.
- Labour Inspectors are qualified, professional civil servants. They inspect “workplaces and worksites” to check compliance with national law/standards, including employment and safety.
- The international framework for labour inspection is provided by the ILO Conventions on Labour Inspection in Industry and Commerce, 1947 (No.81) and Labour Inspection in Agriculture, 1969 (No.129).

Function of Labour Inspection System

- The enforcement of legislation mainly through supervision.
- The supply of information and advice to employers and workers.
- The supply of information to the competent authority.

Viet Nam

- **Master Plan** – to strengthen the labour inspection system until 2020. Covers - strengthening organizational structure of inspectorate, finalizing management information system, reforming inspection methodologies, forms and operations; investing in equipment for labour inspectors; and finalizing the training strategy for inspectors.
- Introduced **self-assessment report** - requiring employers to reply to a questionnaire and send it to the relevant Labour Inspectorate after it has been signed by a trade union representative (where a trade union exists).
- **Good coordination with the social partners** – joint inspection visit.



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Way Forward

Management of reports on findings and impact

- Establish a Special Committee (acting as competent authority) to coordinate and determine the way forward in labour inspection system

Modernizing Labour Inspections

- Developing methods, tools and system to support and facilitate labour inspections

Labour Inspectors Conference

- Sharing session between labour inspectors of all agencies in Malaysia
- Exchange of best practices
- Refreshing the spirit of labour inspectors

Capacity Building

- Developing modules for capacity development (generic skills, social skills, professional skills, knowledge on labour enforcement)
- Based on Training Need Analysis and/or ILO recommendations

Engagement with Employers/Employees to create awareness

- Collaboration with small medium enterprises in promoting compliance and workplaces
- Targeting relevant bodies accordingly
- Increase of awareness

Collection of Data

- Development of *Sistem Pengurusan Perburuhan Bersepadu (SPPB)* to manage and oversee data collected from labour inspections
- Data can be cross checked across all activities within the department
- Updated inspection form

Strengthening resources

Debate & Discussion

- Ensuring sufficient budget to support operation, training and promotion

