

Worker Rights, Unionism, and Policy Transformations in Malaysia: A Systematic Review

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ABSTRACT

Industrial relations in Malaysia continue to face significant challenges, particularly in relation to worker rights, unionism, and policy shifts. Despite constitutional guarantees of freedom of association, workers encounter restrictive laws, low union density, and limited bargaining power, which weaken the labor movement. Additionally, the rise of the gig economy and heavy reliance on migrant labor present new challenges that existing labor policies and trade union structures have not adequately addressed. These issues raise important concerns about social justice, productivity, and Malaysia's long-term economic aspirations. This study aims to revisit the state of worker rights and unionism in Malaysia by analyzing the key issues, barriers, and opportunities within the current policy environment. Using a systematic review of Scopus-indexed literature, the study synthesizes findings from prior research and identifies consistent, rising, and novel themes shaping Malaysia's labor landscape. The results reveal three major insights. First, structural and political barriers remain a consistent theme, where restrictive legislation, managerial unilateralism, and limited state support undermine trade union effectiveness. Second, rising themes highlight efforts to revive unionism in industries such as electronics and the potential for inclusive labor politics that transcend ethnic divisions. Third, novel themes show the increasing integration of Islamic principles of social justice into labor rights discourse and the reassessment of union participation in the public sector. These findings underscore the complex interplay between historical legacies, cultural factors, and emerging policy reforms. The study contributes both theoretically and practically by situating Malaysian industrial relations within broader debates on labor rights in semi-democratic states, while also emphasizing localized frameworks that incorporate cultural and religious values. Practically, the findings highlight the need for legal reforms, stronger protection for gig and migrant workers, and a more inclusive labor movement. By addressing these challenges, Malaysia can strengthen its labor institutions, enhance productivity, and progress toward its developmental goals.

Keywords— Industrial Relations, Worker Rights, Trade Unionism, Policy Shifts, Malaysia

INTRODUCTION

Industrial relations remain a critical pillar of economic and social development, shaping the balance between workers, employers, and the state. In many developing economies, including Malaysia, the trajectory of industrial relations has been influenced by political, social, and economic contexts that define the extent of worker rights and unionism (Kumar, Lucio, & Rose, 2013). Malaysia's industrial relations landscape is particularly notable due to its strong state intervention, employer dominance, and historical legacy of union repression, which together constrain the ability of unions to effectively safeguard worker rights (Crinis & Parasuraman, 2016). Despite the legal recognition of workers' right to organize, restrictive labor policies, coupled with managerial resistance, continue to undermine union growth and effectiveness, particularly in transnational sectors such as electronics (Wad, 2012).

Past studies have highlighted several challenges: declining union density, weak visibility in workplace decision-making, and limited state support for collective bargaining (Kumar et al., 2013; Wad, 2012). Furthermore, structural issues such as Malaysia's dependence on low-skilled migrant labor, stagnant wage growth, and regulatory inefficiencies exacerbate labor market vulnerabilities (Rasiah, Crinis, & Lee, 2015;

Lee, 2017). Although the Economic Transformation Programme (ETP) and the Eleventh Malaysia Plan (11MP) sought to transition Malaysia into a high-income economy through innovation and productivity gains, they fell short of addressing institutional weaknesses in labor rights and industrial relations (Jamaluddin, Abu Taher, & Yi, 2019; Lee, 2017). Recent comparative studies even suggest that Malaysia's weak union structures stand in contrast to neighboring countries with stronger labor movements, such as Singapore, raising questions about the long-term sustainability of its industrial relations model (Chai, 2025).

Despite these scholarly contributions, the literature remains fragmented, often focusing either on state–union dynamics or sector-specific case studies, with less emphasis on synthesizing broader patterns and emerging themes. There is a need for a comprehensive review that systematically revisits the evolution of industrial relations in Malaysia, analyzing how worker rights, union strategies, and policy frameworks have interacted over time. By employing a concept mapping approach and drawing insights from topic experts, this review seeks to uncover key trends, conceptual linkages, and emerging debates in Malaysian industrial relations.

The objective of this paper is to conduct a critical analysis of the evolution of industrial relations in Malaysia through an examination of the intersections of worker rights, unionism, and policy changes. It examines the influence of historical legacies, economic policies, and current labor market dynamics on the future of worker representation. The importance of this work is in its synthesis of previous scholarship to pinpoint research deficiencies, underscore neglected aspects of union revival, and delineate prospective trajectories for policy and practice. This review also offers a conceptual framework for comprehending Malaysia's industrial relations, situating it within international discourses on labor rights and economic transition. The remainder of this paper is organized as follows. The next section describes the method used to undertake this review. Then, there is a thematic study of three main topics: workers' rights and safeguards, unionism and collective representation, and changes in Malaysia's labor market policies. The discussion portion then brings these themes together to show how they affect research and practice. The last section ends by pointing out new paths and suggesting ways for future research and policy changes.

METHODOLOGY

This study utilized Scopus AI as the principal research and analytical instrument to thoroughly examine the academic landscape of industrial relations in Malaysia. Scopus AI, an advanced AI-driven version of Elsevier's Scopus database, combines several features, such as the Summary, Expanded Summary, Concept Map, Topic Experts, and Emerging Themes, which were all used to synthesize, visualize, and understand important literature. This methodological strategy is in line with well-known bibliometric and systematic review methods, with a focus on transparency, repeatability, and triangulation of evidence (Page et al., 2021; Alkhamash et al., 2023).

The search technique was aimed at getting a wide range of research on industrial relations, worker rights, unionism, and legislative changes in Malaysia and Southeast Asia. The Boolean search string used was: (("industrial relations" OR "labor relations" OR "workplace relations" OR "employment relations") AND ("Malaysia" OR "Malaysian" OR "Southeast Asia" OR "ASEAN") AND ("collective bargaining" OR "union" OR "labor union" OR "trade union") AND ("employment law" OR "labor law" OR "workplace legislation" OR "regulations") AND ("dispute resolution" OR "conflict management" OR "grievance" OR "mediation") AND ("worker rights" OR "employee rights" OR "labor rights" OR "workplace rights") AND ("economic impact" OR "social impact" OR "policy" OR "legislation")).

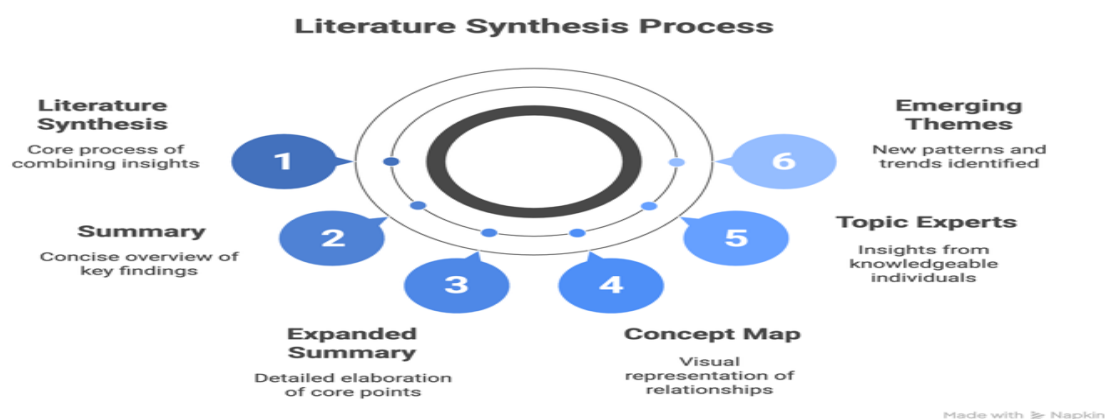
When the query was run, Scopus AI made a summary that turned the corpus into a summary of the main discussions, common problems, and main themes. This product gave a broad overview of how industrial relations research in Malaysia has changed over time, especially when it comes to state regulation, union dynamics, and workplace laws (Elsevier, 2024). The Expanded Summary built on this by creating a more complete story that focused on important policy changes such as the Economic Transformation Programme (ETP) and the Eleventh Malaysia Plan. It also included research on manufacturing and migrant labor in specific sectors. These summaries were the first step in figuring out how the ideas in the literature were connected and how the themes were similar.

Thereafter, Scopus AI's Topic Experts tool was utilized to find the most important scholars, writers, and institutions in the field. These experts, chosen based on how many publications and citations they had, contributed to create a list of authoritative voices that made sure the review included both historical and modern points of view (Elsevier Researcher Academy, 2024). This is done by verifying the listed experts' profiles and publication records in Scopus to make sure they were relevant to Malaysian labor studies.

Scopus AI's Topic Experts feature was subsequently used to identify leading scholars, frequently cited authors, and institutions contributing to the field. These experts, derived from publication volume and citation metrics, helped to establish a canon of authoritative voices, ensuring that the review incorporated both historical and contemporary perspectives (Elsevier Researcher Academy, 2024). Verification was conducted by cross-checking the listed experts' profiles and publication records within Scopus to confirm their relevance to Malaysian labor studies.

Finally, the Emerging Themes research shed light on new areas of concern, like how digitization is changing industrial relations, how migrant workers are becoming more precarious, and how regional trade agreements affect workers' rights. These emerging concerns are essential for situating Malaysia's industrial relations system within the wider ASEAN and worldwide labor discourse. Identifying these themes was important since it showed where more research is needed, especially the lack of worker-centered viewpoints in policy analysis and the lack of comparative regional studies.

In short, this solution merged Scopus AI's generative analytics with systematic bibliographic verification to make sure it was accurate and reliable. The objective of this study was to examine the research landscape of industrial relations in Malaysia by developing a conceptual framework, identifying subject matter experts, and emphasizing emerging themes. This was accomplished through a systematic process of query design, AI-assisted synthesis, conceptual mapping, and critical validation. This study not only integrates disparate knowledge but also delineates a framework for subsequent research and policy formulation in Malaysian industrial relations



(See Figure 1).

Figure 1 Scopus AI

RESULT AND DISCUSSION

The analysis of the Scopus AI outputs, provides a comprehensive overview of the scholarly landscape on industrial relations in Malaysia, with specific attention to worker rights, unionism, and policy shifts. Four distinct layers of evidence, the Summary and Expanded Summary, the Concept Map, the Topic Experts, and the Emerging Themes, were triangulated to generate a holistic understanding of the field.

Summary and expanded summary

The review of Scopus AI outputs offers valuable insights into the state of industrial relations in Malaysia,

particularly in relation to worker rights, unionism, and policy shifts. The Summary and Expanded Summary emphasize that Malaysia's industrial relations landscape continues to be influenced by a legacy of state control, restrictive legal frameworks, and structural barriers that undermine the effectiveness of unions. These findings reinforce earlier research highlighting the persistence of managerial unilateralism and the lack of robust institutional support for labor organizations, despite the formal recognition of worker rights within Malaysian labor law (Kumar, Lucio, & Rose, 2013; Crinis & Parasuraman, 2016).

Worker Rights and Unionism

Despite constitutional recognition of the right to form and join unions, practical barriers remain entrenched in Malaysia. Restrictive labor laws, employer resistance, and inadequate legal safeguards contribute to the marginalization of unions, particularly within transnational corporations that dominate the manufacturing sector (Kumar et al., 2013; Wad, 2012). Union density remains low, and visibility within both the workplace and the wider political economy is limited, undermining the ability of unions to influence employment practices or policy debates. The challenges of organizational change and strategic renewal further weaken union effectiveness, highlighting the urgent need for structural reforms and capacity-building within the labor movement.

Policy Shifts and Economic Implications

The Expanded Summary emphasizes the economic implications of labor policies and their intersection with Malaysia's development agenda. The government's Economic Transformation Programme (ETP) and Eleventh Malaysia Plan (11MP) both frame labor reform as critical to Malaysia's ambition to achieve high-income status. However, these policy frameworks have often prioritized productivity gains and foreign investment competitiveness over substantive improvements in worker protections (Lee, 2017; Rasiah, Crinis, & Lee, 2015). The reliance on low-cost migrant labor, coupled with slow wage growth and limited social protection, has contributed to the persistence of a "middle-income trap" and has constrained the ability of unions to assert themselves as key stakeholders in national development (Jamaluddin, Abu Taher, & Yi, 2019). This dynamic reflects a structural imbalance, where economic modernization has not translated into equitable labor relations or stronger collective bargaining institutions.

Cultural and Social Influences

Malaysia's ethicized political economy also continues to shape the trajectory of unionism. Ethnic divisions within the workforce have historically undermined the development of cross-ethnic solidarity, limiting the emergence of strong, collective worker identities (Croucher & Miles, 2018). Nevertheless, recent democratizing movements and inclusive labor campaigns signal potential for broader, non-ethnic labor politics, creating space for unions to reposition themselves as advocates of social justice and equality. The ability of unions to transcend ethnic boundaries and engage with wider socio-political reform movements will be pivotal in determining their future relevance.

Legal and Regulatory Challenges

One of the most critical barriers to effective unionism lies in Malaysia's restrictive labor legislation. Scholars note that the current legal framework often contradicts international labor standards, and, in some respects, the principles of social justice embedded in Islamic traditions (Razak & Mahmud, 2021). In the public sector, union engagement remains minimal, with union participation shaped largely by leadership credibility, welfare outcomes, and the perceived inefficiency of existing structures (Omar et al., 2025). These constraints limit the scope of collective bargaining and weaken the institutional foundations of industrial democracy.

Historical Legacy and Path Dependence

The historical trajectory of Malaysian industrial relations provides a critical context for these challenges. Since independence, the state has maintained strong control over labor movements, repressing union activism and consolidating managerial authority (Crinis & Parasuraman, 2016; Chai, 2025). Unlike neighboring Singapore,

where state intervention led to corporatist integration of unions into the developmental state, Malaysia's approach produced a fragmented labor movement with limited bargaining power. This legacy of repression continues to constrain the prospects for union revitalization, making systemic reforms difficult to achieve without significant political will and international support.

Synthesis

Overall, the Summary and Expanded Summary outputs illustrate that worker rights and unionism in Malaysia are embedded within a complex web of political, economic, cultural, and legal dynamics. While policy shifts such as the ETP and 11MP have articulated ambitions for labor market modernization, they have fallen short in empowering unions or addressing long-standing issues of wage stagnation and labor precarity. Historical repression, ethicized labor politics, and restrictive legislation remain central challenges. At the same time, opportunities exist for union revitalization, particularly through democratizing movements, strategic reorganization in key industries, and alignment with international labor standards. Future research and policy reforms must therefore engage critically with these structural issues to strengthen industrial relations in Malaysia and ensure that labor rights are substantively realized.

Concept Map

To provide a clearer visualization of the findings derived from the Scopus AI analysis, the following graph illustrates the distribution of key themes in the literature on *Industrial Relations in Malaysia*, with a focus on worker rights, unionism, and policy shifts. The graph consolidates insights from the Summary and Expanded Summary, highlighting the relative emphasis placed on five main dimensions: (i) current issues affecting worker rights and unionism, (ii) economic implications of policy reforms, (iii) cultural and social influences, (iv) legal and regulatory challenges, and (v) historical factors shaping labor relations. This visual representation underscores the dominance of legal-regulatory and historical barriers in shaping Malaysia's industrial relations system, while also indicating emerging opportunities for union revitalization and socio-political engagement. By situating the findings in a comparative and thematic perspective, the graph complements the textual analysis and strengthens the study's aim of mapping the research landscape on industrial relations in Malaysia.

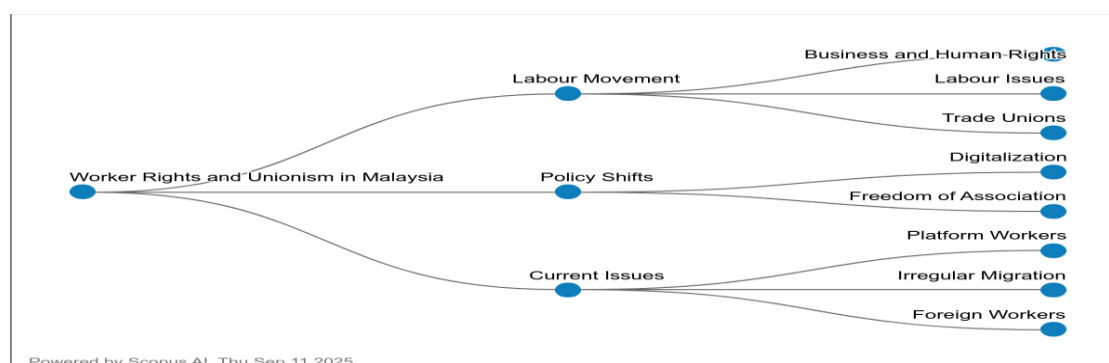


Figure 2: Concept Map of Workers' Rights and Unionism

A review of workers' rights and unionism

The relationship between worker rights and unionism in Malaysia is deeply intertwined with the legal, political, and economic structures that govern labor relations. Despite Malaysia's commitment to international labor standards, significant gaps remain in protecting vulnerable groups such as gig economy workers and migrant laborers. For instance, gig workers are excluded from the definition of "workmen" in Malaysian employment legislation, effectively denying them the right to unionize or engage in collective bargaining (Amin, 2023). This exclusion leaves gig workers without the institutional support of unions and exposes them to exploitation in terms of wages, working conditions, and dispute resolution. The lack of union protection for this growing segment of the workforce demonstrates how restrictive labor laws undermine broader worker rights.

Foreign workers in Malaysia face similar challenges, reflecting the tension between economic dependence on migrant labor and insufficient protection of their rights. Studies reveal that foreign workers often experience unfair wage deductions, restrictions on mobility, and inadequate access to complaint mechanisms, with indicators of forced labor present in several industries (Ibrahim & Razali, 2023). While unions could potentially serve as advocates for these workers, systemic barriers limit their participation and representation. The exclusion of migrant workers from meaningful union engagement not only exacerbates their vulnerability but also weakens the overall bargaining power of unions in Malaysia, thereby creating a fragmented labor movement.

The decline in union recognition further illustrates the erosion of collective worker rights. Abd Razak and Mahmod (2018) argue that restrictive laws and administrative hurdles have limited unions' ability to obtain official recognition, a prerequisite for collective bargaining. This decline has coincided with broader state policies that emphasize managerial control and economic liberalization, leaving unions with diminished influence in workplace governance. The weakening of union recognition undermines the institutional link between worker rights and unionism, as unions are stripped of their capacity to negotiate for fair wages, safe working conditions, and social protections. This trend suggests that without policy reforms, unions will remain marginal players in the labor relations system.

Historically, Malaysia's industrial relations framework has been shaped by the state's reliance on export-oriented industrialization and its use of political control to manage labor movements. Crinis and Parasuraman (2016) highlight that union repression has been a persistent feature of Malaysian industrial relations, with the state limiting union autonomy to preserve industrial harmony and foreign investment. This historical trajectory has constrained unions' ability to serve as effective protectors of worker rights. Even in contemporary times, state intervention often prioritizes economic growth and employer interests over strengthening unions, resulting in limited pressure for meaningful change in labor protections. The long-standing culture of managerial unilateralism thus continues to obstruct the full realization of worker rights through unionism.

Emerging trends, however, suggest potential for transformation if legal frameworks evolve to address new forms of labor relations. The rapid expansion of platform work, for instance, has highlighted the urgent need for laws that protect the rights and welfare of platform workers, including provisions for collective bargaining (Makhtar, Ghadas, & Haque, 2024). Incorporating platform workers and other marginalized groups into the legal definition of "workmen" would expand union membership and strengthen collective representation across sectors. Such reforms would not only address current inequities but also revitalize unionism by broadening its scope and relevance in Malaysia's changing labor market. Therefore, the future of worker rights in Malaysia is closely tied to the ability of unions to adapt to emerging challenges and the state's willingness to recalibrate policies in favor of inclusive labor protections.

Linkages between workers' rights and the labor movement

The relationship between worker rights and the labor movement in Malaysia is shaped by historical suppression, restrictive labor laws, and the dominance of political and economic elites. The labor movement, once a vibrant force for advancing worker rights, has been weakened by systematic repression designed to curb its influence. Taejoon (2006) argues that conservative elites in Malaysia deliberately suppressed the labor movement through organizational constraints, financial controls, and restrictive legislation to maintain political dominance. This suppression has directly undermined worker rights, as unions were prevented from functioning as independent voices capable of challenging state and employer authority. Consequently, the weakening of the labor movement has perpetuated conditions where workers struggle to secure fair wages, safe workplaces, and equitable labor protections.

Ethnic divisions in Malaysia's political and social structure have further hindered the labor movement's ability to foster a unified struggle for worker rights. Croucher and Miles (2018) highlight how ethnicity-based politics fragmented worker solidarity, preventing the formation of cross-ethnic collective identities that are crucial for strong labor movements. In such a fragmented system, unions became vulnerable to state control and lost their capacity to represent workers' diverse needs effectively. This ethnic cleavage has also restricted unions from positioning themselves as champions of universal worker rights, limiting their influence in labor politics. Thus,

the intersection of ethnicity and labor politics has created structural barriers that continue to constrain the labor movement's potential.

Comparative perspectives highlight how the divergence in trade union structures between Malaysia and Singapore has affected the trajectory of labor rights. Chai (2025) emphasizes that while Singapore developed a centralized union model with state cooperation, Malaysia's labor movement faced marginalization, union repression, and stricter state control. Similarly, Crinis and Parasuraman (2016) illustrate that Malaysia's reliance on export-oriented industrialization reinforced managerial dominance and weakened collective labor institutions. These dynamics highlight how policy choices have determined labor outcomes: while Malaysia's restrictive environment weakened unions and eroded worker rights, neighboring systems created more structured, though controlled, avenues for worker representation. The Malaysian case illustrates how state-led repression undermines labor movements' role in protecting rights.

Despite these structural challenges, new information and communication technologies (ICTs) have emerged as important tools for revitalizing the Malaysian labor movement. Grieco and Bhopal (2005) argue that globalization and digital platforms have provided unions with alternative means of organizing, mobilizing, and negotiating. ICTs allow labor movements to bypass some traditional restrictions and establish transnational alliances, offering possibilities for counter-coordination against employer dominance. This digital adaptation has strengthened the labor movement's ability to advocate for worker rights, although its impact remains uneven due to institutional and legal constraints. Nonetheless, technology signals a potential pathway for strengthening labor activism in the future.

Current issues, such as the exclusion of gig economy workers from trade union recognition, further complicate the labor movement's ability to safeguard rights in the modern labor market. Amin (2023) highlights how gig workers are excluded from the legal definition of "workmen" in Malaysia, thereby denying them access to collective bargaining rights and leaving them vulnerable to exploitation. This exclusion demonstrates how existing labor policies fail to adapt to new forms of work, weakening the labor movement's inclusivity and relevance. Without reforms to incorporate gig workers and other marginalized groups, the Malaysian labor movement risks becoming increasingly disconnected from the realities of contemporary labor markets. Addressing these gaps is essential to strengthen the relationship between worker rights and unionism, thereby ensuring that the labor movement can regain its role as a central defender of labor protections.

Linkages between workers' rights and policy shifts

The relationship between workers' rights and policy shifts in Malaysia reflects an evolving landscape of labor governance, particularly in relation to migrant labor and unionism. A notable development is the transition from sovereign migration governance to rights-based approaches, where policies increasingly emphasize the protection of migrant workers. Low (2025) highlights that this shift reflects Malaysia's gradual convergence with developmental global migration governance, which prioritizes fair treatment, access to justice, and social inclusion for migrant workers. This policy reorientation indicates a recognition that protecting workers' rights is not only a matter of national labor regulation but also a necessity in aligning with global labor standards.

Further evidence of policy shifts is seen in reforms aimed at enhancing the welfare of migrant workers through social protection and recruitment policies. Low (2024) observes that measures such as expanding social protection systems and requiring employers to bear recruitment costs represent significant progress toward safeguarding migrant rights. These reforms reduce vulnerabilities associated with debt bondage and exploitation, shifting responsibility from workers to employers. Importantly, such measures underscore Malaysia's attempt to balance economic reliance on migrant labor with obligations to international labor rights frameworks, signaling a policy transformation that places worker welfare at the center of labor governance.

Despite these improvements, challenges persist in revitalizing trade unions as central actors in promoting worker rights. Wad (2012) argues that resistance from transnational corporations and insufficient political support continue to hinder union revival, particularly in industries dominated by global supply chains. These barriers limit the ability of trade unions to contribute meaningfully to development strategies and advocate for stronger worker protections. Consequently, policy shifts toward global labor standards risk being undermined

without a parallel strengthening of union representation and collective bargaining structures, which remain essential to empowering workers within Malaysia's industrial relations framework.

Existing policies also reveal significant exclusions that undermine comprehensive labor protections, particularly in the context of the gig economy. Amin (2023) highlights that gig economy workers are excluded from the legal definition of "workmen" under Malaysia's labor laws, stripping them of the right to unionize and engage in collective bargaining. This exclusion leaves gig workers vulnerable to exploitation, inconsistent earnings, and a lack of access to social protections. While Malaysia has advanced in improving rights for migrant workers, the neglect of gig economy workers illustrates a policy gap that fails to address the realities of modern labor markets.

Moreover, foreign workers continue to face vulnerabilities despite policy reforms. Ibrahim and Razali (2023) document persistent issues such as wage deductions, limited complaint mechanisms, and indicators of forced labor. Chin (2017) further notes that Malaysia's approach to migration control often reflects a struggle between the state and employers, with increasing efforts to hold employers accountable for workers' welfare. However, enforcement gaps mean that many foreign workers remain exposed to abuse and exploitation. This tension underscores the uneven implementation of policy reforms, where progressive frameworks coexist with structural deficiencies that limit the realization of worker rights.

Linkages between workers' rights and current issues

The relationship between workers' rights and current issues in Malaysia is shaped by a tension between constitutional guarantees and restrictive practices in industrial relations. Although the Federal Constitution of Malaysia upholds the freedom of association, including the right of workers to form and join trade unions, government restrictions for security purposes have limited the scope of these rights (Abd Razak & Mahmud, 2018). These restrictions, combined with stringent recognition procedures, have contributed to a decline in union recognition awards, weakening workers' ability to organize and collectively bargain. Thus, while workers' rights are theoretically guaranteed, current issues in implementation reveal a significant gap between law and practice.

One of the most pressing current issues is the exclusion of gig economy workers from Malaysia's employment legislation. Despite their growing contribution to the economy, gig workers are not recognized as "workmen" under existing labor laws, preventing them from unionizing or engaging in collective bargaining (Amin, 2023). This exclusion exposes gig workers to precarious working conditions, lack of social protection, and limited recourse against exploitation. The neglect of gig workers' rights reflects the inability of Malaysia's labor framework to adapt to new forms of employment, thereby exacerbating inequalities in worker representation and protection.

Foreign workers, who make up a large proportion of Malaysia's workforce, also face significant rights-related challenges. Studies reveal persistent issues such as underpayment of wages, excessive deductions, and limited access to complaint mechanisms, with indicators of forced labor practices evident in some sectors (Ibrahim & Razali, 2023). These conditions highlight systemic gaps in the enforcement of labor laws and monitoring mechanisms. The exploitation of foreign workers underscores the tension between Malaysia's reliance on migrant labor for economic growth and its limited capacity to ensure equitable labor protections. Worker rights in this context are undermined not only by weak regulation but also by employers' dominance in shaping labor conditions.

Another important dimension concerns the alignment of trade union rights with Islamic principles of social justice. Razak and Mahmud (2021) argue that the restrictive legal framework governing unions contradicts Islamic principles of fairness, justice, and worker dignity. This contradiction has sparked debates about the need for legal reforms to guarantee the full rights of trade unions, ensuring consistency with broader social justice values. The discourse demonstrates that the issue of workers' rights is not merely legal and economic but also ethical, embedded in Malaysia's religious and cultural context.

In summary, current issues concerning workers' rights in Malaysia revolve around restrictive union

recognition processes, the exclusion of gig economy workers, the exploitation of foreign workers, and inconsistencies between labor laws and social justice principles. These issues collectively demonstrate the challenges facing Malaysian labor relations, where structural, legal, and socio-cultural barriers hinder the realization of meaningful worker rights. Addressing these challenges requires not only legislative reform but also broader institutional and societal shifts that align labor governance with principles of justice, inclusivity, and fairness.

Emerging Themes on Worker Rights, Unionism, And Policy Shifts in Malaysia

A consistent theme in the discourse on worker rights and unionism in Malaysia is the existence of political, social, and economic barriers that have long hindered trade union renewal. Structural obstacles, coupled with limited support from employers and the legal system, have weakened union visibility and organizational change, leaving unions unable to fully represent worker interests (Kumar et al., 2013). These barriers highlight the entrenched challenges within Malaysia's industrial relations system, where unions are consistently marginalized in both workplace decision-making and national policy discussions. This theme demonstrates that despite decades of reform efforts, the restrictive environment for trade unions remains a persistent issue in Malaysia.

A rising theme concerns the potential for trade union revival, particularly in key industries such as electronics. Wad (2012) notes that the decline in political support for transnational corporations has opened opportunities for the formation of larger, regionally based unions. These efforts are linked to broader economic strategies, as stronger trade unions are increasingly seen as contributors to productivity growth and Malaysia's aspiration to move beyond the middle-income trap. While this trend remains limited, it reflects a gradual recognition that worker representation is not only a social justice issue but also an economic imperative for sustainable development. The revival of trade unions thus represents an emerging trajectory that could reshape Malaysia's industrial landscape.

Another rising theme is the growing influence of cultural and social dynamics on labor politics, particularly the role of ethnicity. Historically, Malaysia's polity has restricted the development of cross-ethnic worker identities, undermining union solidarity (Croucher & Miles, 2018). However, inclusive democratic movements have begun to create space for unions to engage in non-ethnic, issue-based labor politics. This shift suggests that cultural barriers to unionism, while still present, are being challenged by broader social movements advocating inclusivity. The rise of this theme points to the possibility of unions becoming more socially embedded and politically relevant in a diversifying Malaysia.

A novel theme emerging from recent scholarship is the intersection of labor rights with religious and social justice principles. Razak and Mahmud (2021) argue that Malaysia's restrictive trade union framework contradicts Islamic principles of justice, raising questions about the alignment between labor law and the values embedded within Malaysia's socio-religious context. This theme introduces a new lens for understanding worker rights, emphasizing that legal reforms must not only meet international labor standards but also resonate with local cultural and religious frameworks. The integration of Islamic social justice principles into union reform discourse signals an innovative approach that could broaden support for labor rights across diverse stakeholders.

Finally, another novel theme is the reassessment of union participation within the public sector. Omar et al. (2025) highlight that despite formal safeguards, union engagement among public servants remains low, influenced by perceptions of inefficiency, leadership credibility, and the limited tangible benefits of membership. This theme introduces new insights into why workers choose to reject or accept union participation, moving beyond structural barriers to consider worker agency and perception. Coupled with Malaysia's long history of union repression and state dominance over employment relations (Crinis & Parasuraman, 2016), this finding underscores the evolving but fragile landscape of unionism, where historical legacies intersect with contemporary challenges of relevance and trust.

CONCLUSION

This study has conducted a comprehensive analysis of the present condition of worker rights, unionism, and policy transformations in Malaysia by analyzing emerging topics from the research environment. The results show that there are three main areas of growth. To begin with, structural and political hurdles continue to pose problems that restrict the autonomy and efficacy of labor unions. Second, there are more chances for progress, as seen by the rise of unionism in fields like electronics and the growing possibility of inclusive labor politics that go beyond ethnic boundaries. Third, new trends emphasize the integration of Islamic ideas of social justice into labor rights discussions and the reevaluation of union involvement in the public sector, indicating a developing, although precarious, industrial relations environment.

From a theoretical standpoint, this study emphasizes the significance of contextualizing labor relations within both global and local frameworks. The ongoing prevalence of managerial unilateralism and governmental supremacy reinforces ideas of labor suppression in semi-democratic nations. Simultaneously, the advent of new frameworks—such as the integration of Islamic values with social justice—augments the theoretical discourse by contextualizing labor rights discussions in a manner that aligns with Malaysia's socio-political and cultural milieu. The analysis enhances comparative labor relations theory by illustrating Malaysia's divergence from adjacent nations, where state-labor interactions have developed in distinct manners.

Moreover, this study has important real-world effects. Policymakers should enact labor legislation changes that protect workers' rights, allow people to join unions, and deal with signs of forced labor that are still present in some industries. Trade unions need to make their organizations more visible, their leaders more trustworthy, and their members more diverse across ethnic and sectoral lines. Employers must also recognize that upholding labor rights and participating in collective bargaining are not just legal and moral responsibilities but also methods for enhancing productivity and realizing Malaysia's long-term economic objectives.

Nonetheless, the study encounters its own constraints. The analysis mostly utilized secondary data sourced from Scopus-indexed literature, indicating that certain recent legislative reforms or grassroots labor movements may not be well represented in the academic record. Second, the study does not directly incorporate empirical perspectives from workers or employers, which could yield more profound insights into the realities of labor relations in Malaysia. Third, the scope was predominantly national, constraining more profound comparative analysis with other ASEAN nations.

There are a few suggestions for future study. Empirical research ought to investigate the experiences of gig economy workers and migrant laborers, who continue to be among the most vulnerable and underrepresented demographics inside union frameworks. Comparative studies between Malaysia and other Southeast Asian nations may provide significant insights into the impact of regional policy changes and global labor standards on national outcomes. Finally, multidisciplinary approaches that combine law, economics, sociology, and religious studies could provide us with a more comprehensive picture of how labor rights fit into politics, development, and culture.

In conclusion, although worker rights and unionism in Malaysia persist in confronting structural problems, the advent of new themes such as inclusive labor politics, Islamic social justice frameworks, and growing governmental reforms presents avenues for progressive transformation. The study underscores the necessity for ongoing academic investigation and pragmatic reforms to guarantee that Malaysia's labor movement can effectively perform its dual function of safeguarding worker rights and advancing national development.

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