

# South-East Asian unions respond to the pressure of COVID-19

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Around the globe, the COVID-19 pandemic has posed an enormous challenge for workers and employers alike. As the virus spread, national economies faltered. In some countries, all but the most essential workers were forced to work from home – or take time off work – while they sheltered in place. Elsewhere, workplaces were forced to reimagine the ways in which they operate if, indeed, they managed to keep their doors open. In too many parts of the world, workers faced a terrible choice: to brave the risk of contracting the disease or stay home and starve.

The pandemic has also tested the robustness of labour movement organizations, nationally and internationally. In South-East Asia, unions suddenly found themselves fighting not only for their members' right to decent work, but also for their right to survive. They struggled to convince governments and employers to provide workplace protection and social security for those who needed it. In some industries, they had to do so while experiencing a rapid decline in membership as a result of large-scale job losses caused by the pandemic.

In several countries, unions' efforts to protect members were hindered by attempts on the part of some employers – and some governments – to undermine workers' individual and collective rights. Despite these very serious obstacles, some unions in the region managed to dig deep and rise to the challenge posed by the pandemic, finding new ways to support their members as they move into the post-pandemic era. In other cases, the pandemic has exposed areas of union operations that demand change if they are to prosper in the post-COVID-19 world.

### **The impact of COVID-19 in South-East Asia**

The COVID-19 pandemic had an enormous impact on the jobs, lives and livelihoods of workers across South-East Asia in the 15 months after China reported the first case of the disease. The direct disease burden varied dramatically across the region. At 10,632 cases per million, Malaysia had recorded the greatest density of cases as of 1 April 2021, followed closely by Singapore at 10,278.3. At the other end of the spectrum was Laos, which had recorded just 6.7 cases per million, and Viet Nam, with 26.7 (Worldometer 2021).

However, the virus itself was just one element of the pandemic's impact on workers. South-East Asia is a region with a complex employment landscape. With the exception of Singapore, Brunei and Malaysia, South-East Asian countries have relatively large rural populations and informal sector workforces, and consequently relatively low proportions of waged employees (table 1).

► Table 1. Employment context, selected South-East Asian countries

	Cambodia	Indonesia	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam
Population (millions)	16.9	276.4	32.8	54.8	111.0	5.9	70.0	98.2
Urban %	24.7	57.3	77.7	31.4	52.3	100.0	52.2	38.1
Rural %	75.3	42.7	22.3	68.6	47.7	0.0	47.8	61.9
GDP per capita	1 512	3 894	11 373	1 418	3 252	65 233	7 295	2 567
GDP (US\$ billions)	25	1 042	359	76	347	372	507	245
Exports goods/services as % GDP	61	18	65	30	28	174	60	107
Labour force (millions)	9.3	135.8	15.8	24.2	45.1	3.6	38.7	57.3
Males % labour force	51.1	60.5	61.5	59.8	60.7	58.3	54.3	52.1
Females % labour force	48.9	39.5	38.6	40.2	39.3	41.7	45.7	47.9
Total in employment (millions)	9.1	129.6	9.3	22.0	42.2	3.4	37.6	47.8
% in agriculture	38.2	28.5	10.2	48.9	22.9	n/a	31.4	27.8
% in industry	25.5	22.4	27.9	16.9	19.1	14.0	22.8	33.3
% in services	36.3	49.1	61.9	34.2	58.0	84.9	45.7	38.9
Informal employment % total	93.6	80.4	n/a	79.9	n/a	n/a	64.4	67.0
Waged workers % of employed	53.0	48.3	72.6	35.1	63.9	85.9	49.7	45.7
% males employed	58.8	53.0	73.5	35.1	66.0	82.5	49.7	49.9
% females employed	46.8	41.1	71.3	35.1	60.5	90.9	49.8	41.1

Note: Figures are the latest available. Figures for labour force, employment, informal employment and waged workers are modelled ILO estimates. Estimates for informal employment are not available (n/a) for Malaysia, the Philippines or Singapore. Totals in different categories may not add up to 100% as a result of rounding errors.

Sources: ILO 2021; World Bank 2021.

Much of South-East Asia is also characterized by relatively high levels of under- and unemployment. At the same time, many of these countries are highly integrated into global supply chains, especially in labour-intensive manufacturing. This high level of supply chain integration has generated large numbers of formal sector jobs but also left these countries vulnerable to global economic shocks. It is not surprising, then, that – in addition to the social and economic disturbance caused by preventative measures – these countries were affected by supply chain disruptions in the form of cancelled orders and reduced availability of inputs in the early months of the pandemic (Ford and Ward 2021a). The impact of these disruptions was exacerbated by low levels of social protection, which made both informal sector workers and those who lost their formal sector jobs even more vulnerable to the pandemic's impact on their countries' economies.

## Trade union responses to COVID-19

The impact of COVID-19 on people's livelihoods was exacerbated by the fact that the region's employment relations systems have a relatively poor reach – not only as a result of high levels of informal sector employment, but also because many formal sector workplaces are little touched by regulatory requirements. As most unions operate within the formal sector, their coverage of workers is necessarily limited in these countries. In addition, colonial and post-colonial legacies have shaped the contours of the region's organized labour movements, including the extent to which they are politically or economically oriented; whether they can operate free from government or employer control; and whether they are reliant on international support (Ford 2014). These factors all played a role in shaping union responses to COVID-19. Yet while the impact of this engagement with government, at the workplace level, and with their members was necessarily constrained by different unions' level of structural embeddedness and internal capacity, it nevertheless demonstrated a commitment to their core mission of supporting and representing their members even in very difficult circumstances.

### *Engagement with governments*

A key domain of union action was public policy. In many countries across South-East Asia unions have a hostile, or at best distanced, relationship with government. In many sectors – most visibly, the global apparel manufacturing sector – unions have worked around hostile States by engaging with a range of other actors to pressure governments to enforce their own labour regulations (see, for example, Amengual and Chirot 2016). The pandemic disrupted these asymmetries of power, forcing unions to look and work within their own borders to effect change.

In Indonesia, the State has always been a key focus for union activity (Caraway and Ford 2020). During the pandemic, the Government tried to avoid union backlash by introducing a draft law, known as the Omnibus Law on Job Creation, into the legislature at a time when social distancing provisions limited the capacity to take to the streets in protest (Ford 2021). Despite unions' attempts to stave off the legislation, the law – which reduced not only protections for workers but also the capacity of unions to bargain for higher minimum wages and represent workers in the industrial relations courts – was signed into law in November 2020 (Ford and Ward 2021a).

In other cases, the pandemic saw an intensification of union focus on the State, in some cases to good effect. Prior to COVID-19, Cambodian unions had struggled to convince employers and the State to extend the National Social Security Fund – a social protection scheme which provides employment injury, health insurance and pension benefits – beyond garment manufacturing. Informal workers are not covered by the Labour Law, and the absence of an employer for own-account workers, who comprise a large percentage of informal workers, meant that fund coverage was not possible. In the context of the pandemic, unions in the

construction sector (where many workers are classified as informal due to the nature of subcontracting arrangements) engaged the Government in dialogue about extending the National Social Security Fund and minimum wage protections to all construction workers (*The Phnom Penh Post* 2021). Following this process, the Government announced that all informal workers would be covered by the fund, with the Ministry of Labour and Vocational Training and registered worker associations assisting workers to register in lieu of employers (*Voice of Democracy* 2020).

In another less successful example, the Airport Alliance of Thai Trade Unions, the State Enterprises Workers' Relations Confederation and the Thai Labour Solidarity Committee called on the Government to ensure the health and safety of Thai aviation workers and to protect jobs following Thai Airways' announcement of the suspension of its operations in early 2020 (AATTT, SERC and TLSC 2020). In the May of that year, the Government removed the airline's status as a state-owned enterprise (*Bangkok Post* 2020). Unions did not oppose the change to the airline's status. In March 2021, however, union leaders met with the Labour Minister to request an intervention, as well as filing a formal dispute, after the Government announced a restructuring plan that potentially affected a large percentage of the workforce through redundancies and changes to employment contracts (*Bangkok Post* 2021a). These efforts were unsuccessful, with the airline retrenching a further 4,000 employees and forcing remaining workers to sign contracts with much-reduced benefits from May 2021 (*Bangkok Post* 2021b).

### **Engagement at the workplace level**

A second domain of union action in the context of the COVID-19 pandemic was the workplace. Although workplaces are often imagined as comprising the primary domain of union activity, South-East Asia's unions have relatively low levels of workplace presence, tending instead to rely on street-based protest and engagement with government to secure benefits for workers (see, for example, Caraway and Ford 2020). However, unions played an important role in demanding, monitoring and supplementing protective measures at the workplace level across the region, and especially in countries where they are most closely controlled by government. At the same time, employer responses to the economic pressures brought by the pandemic threatened unions' bargaining power at the workplace level, forcing them to make concessions they might otherwise not have been prepared to make.

In Singapore, unions made a substantive contribution to efforts to contain the workplace spread of COVID-19. In one example, the Singapore Maritime Officers' Union and the Singapore Organisation of Seamen participated alongside the International Maritime Employers' Council, the Singapore Shipping Association and Maritime and Port Authority of Singapore in the Singapore Crew Change Workgroup to introduce new measures to protect workers during crew changes, while not burdening those who were travelling from designated low-risk countries or regions with long periods in home isolation or quarantine (MPA 2020).

According to the President of the Singapore Organisation of Seamen:

The streamlined crew change procedures and dedicated facility for sign-on crews are practical solutions to keep the supply chain open and to protect the rights of seafarers. Singapore has sent a strong message to the world that we recognise seafarers as essential workers and [that] we appreciate the crucial role seafarers play in the global economy. (cited in Nautilus 2020)

However, unions were also forced to make concessions. For example, the United Workers of the Petroleum Industry of Singapore agreed that its members could take on manual tasks normally undertaken by migrant workers in return for promises that local jobs would be protected (IndustriALL 2021).

Enterprise unions affiliated to the Vietnam General Confederation of Labour (VGCL) also worked with employers to secure workers' access to protective measures such as masks, hand-washing facilities and sanitizers, often working through joint management–union committees or taskforces (Buckley 2020a). These actions were largely supported by the VGCL at the central level, which had tasked unions at all levels with monitoring and reporting employers who were not complying with government requirements. In contrast to Singapore, however, strikes were held in a number of factories – some with the VGCL's blessing – to demand that employers provided a safe working environment and payment for quarantined workers (Buckley 2020b). In addition, its industrial zone unions monitored layoffs to ensure that employers were not using the pandemic as an excuse to fire workers.

### ***Engagement with members***

The third domain of union action was communication with members. Government-imposed restrictions on mobility and concerns about the spread of the disease greatly affected the ability to hold face-to-face meetings and events, which remain most South-East Asian unions' primary communication channels. However, work-at-home protocols requiring many workers to engage with digital platforms on a daily basis had some unexpected positive effects, forcing union members to become better acquainted with digital technologies other than social media, and better equipped to use them to engage with their unions.

Teachers' unions were at the forefront of the push for increased digitalization during the pandemic, as governments rushed to find ways to deliver education remotely to students in lockdown. According to a survey conducted for Education International (EI) in 2020, many or some new digital technologies were introduced in close to 70 per cent of respondents' education systems in the Asia-Pacific region. While this was not as high a proportion as in most other regions, it constituted a significant change for teachers in a region where only 6 per cent of respondents had previously used digital technologies in teaching and learning, and only 50 per cent of teachers usually have access to the internet at work (Colclough 2020).

In South-East Asia the push to adopt online teaching platforms challenged teachers, many of whom had relatively low levels of digital literacy despite their relatively high levels of

formal education.<sup>1</sup> Like the schools that employed their members, teachers' unions had also been relatively conservative in their use of digital communication tools. Some had embraced social media well before the onset of the pandemic, but many had maintained one-way flows of information even where their communication strategies had a digital component. What the pandemic confirmed was the potential of digital technologies not only for communication between union officials and members, but also for the provision of services, including consumer benefits but also professional development.

An example of the former is the Alliance of Concerned Teachers (ACT), a key teachers' union in the Philippines. Established in 1982 when the Philippines was still under martial law, ACT serves as an umbrella organization for public sector education unions and union federations. It also has a political wing that represents education sector workers in Congress. ACT already had a relatively strong social media presence before the pandemic, which it used to reach out to teachers in general, as well as its own members. An important aspect of ACT's use of social media is its impact on two-way communication within the union. As one branch-level leader reported:

In the time of social media, all teachers have access to information. Before, they only just read our memos, but now they can directly engage, comment on posts, or bombard our inboxes with different concerns. We are reading that and validating that through our union leaders. But I can say it's very democratic. In fact, members can be very demanding on social media – they ask what our stance is, about what are we doing.

In the context of the pandemic, ACT – like many other teachers' unions in the region – extended its use of digital platforms to facilitate meetings between officials, recruitment activities and membership renewals.

The digital transformation has been even more far-reaching in neighbouring Indonesia. The Indonesian Teachers Association (Persatuan Guru Republik Indonesia, PGRI), also an EI affiliate, has long embraced social media, and especially Facebook. In addition, its president had established a dedicated WhatsApp channel where she can be contacted directly by members. Managing this channel allows her to gain insight into members' struggles, which she then communicates through PGRI's other digital channels. As elsewhere, however, the pandemic forced the union to shift many of its internal processes, including many meetings, online. For the top leadership, this constituted an opportunity to rapidly progress the digitalization process. As PGRI's vice president told us, "Whether they like it or not, our grassroots leaders have had to get used to technology. The organization is now turning into a digital organization."

As part of this push, PGRI rolled out a whole suite of additional digital tools to help it engage better with its members. One key initiative involved a partnership with Microsoft and a local university to run a webinar-based professional development programme that was

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<sup>1</sup> This section draws on research commissioned by Educational International (Ford and Ward 2021b). Quotations used in this section are drawn from interviews and focus group discussions conducted for this research projects in October and November 2020.

delivered both in real time and asynchronously on topics ranging from online assessments to students' use of mobile phones for educational purposes. By mid-October 2020, these materials had been accessed by over 500,000 individual users. PGRI also rolled out a smartphone app called "Helping Teachers" (Bantu Guru). The app, which was developed by a branch official in Riau Province, provides access to a range of services including professional development and requests for industrial support, but also incidental consumer benefits including discounts on goods and services, as well as a toll payment facility. This embrace of digital technology during the pandemic increased not only the frequency of information exchange between unions and members, but also deepened opportunities for meaningful member engagement.

### Opportunities moving forward

Unions' responses to the COVID-19 pandemic in a region characterized by limited industrial relations mechanisms and hostility from government and employers towards independent labour movement actors have revealed the extent to which strategic agency can be exercised even in very challenging circumstances. Not all South-East Asian unions found ways to respond to the pandemic. However, as the discussion above has demonstrated, there are examples from across the region where unions managed to leverage the opportunity structures available to them in order to do so.

The pandemic also confirmed the importance of addressing a number of aspects of union operations that limit their capacity to safeguard their members' interests. Among these are the challenges unions face in convincing governments to consider workers when determining public policy; in maintaining membership at a time of mass job losses; and in ensuring that their internal operations and governance structures work in such a way as to facilitate quick and effective responses to unexpected problems – like those that emerged in the context of the pandemic – but also longer-term, more structural challenges.

While some unions had considerable success in influencing workplace-level practice around COVID-19, the pandemic also revealed the inherent limitations on their capacity to influence government policy, with many examples emerging where unions' pleas for government to safeguard job security and workers' health fell on deaf ears. On the one hand, this outcome was not surprising given the pressure on governments to protect their economies from collapse in the face of the pandemic; on the other hand, it was undoubtedly also a consequence of unions' low levels of embeddedness, as independent actors, in these countries.

A second weakness confirmed by the pandemic was unions' vulnerability to changing economic conditions, and in particular, pressures on formal sector employment. The pandemic saw mass lay-offs across the region, further reducing opportunities for formal sector employment in countries where it was already relatively low. And, while some unions succeeded in protecting "core" workers, their inability – and, in some cases, unwillingness –

to support non-permanent employees was only too evident. This was perhaps most obvious in cases like that of the United Workers of Petroleum Industry in Singapore, which was all too happy to sacrifice migrant workers' jobs to secure those of its core members (IndustriALL 2021). In other examples, local workers employed on a contract basis, or under outsourcing arrangements, were readily sacrificed to maintain positions for permanent workers. While this strategy makes short-term sense, it reflects a longer-term threat to unions' bargaining strength as the proportion of workers employed on a permanent basis continues to shrink.

The third major weakness confirmed by the pandemic pertains to the representativeness and efficiency of unions' internal operations and governance structures. In many cases, unions' slow responses to COVID-19 reflected a level of internal resourcing that hindered their capacity to make strategic and timely decisions. It is well-known that most unions in the region struggle to collect dues. In part, this reflects low levels of automation within the banking system, as well as the decreasing availability of employer-managed check-off systems in countries where these were formerly in place. In addition, dues are often set at very low levels, in some cases just a few US cents per month per member. In a world where unions require computers and other expensive assets to run effectively, the lack of strong internal financial flows is a major inhibitor to effective operations. What is more, it means that many unions cannot afford to employ basic professional staff, let alone researchers and strategists able to provide evidence-based advice to elected officials.

Union governance structures themselves can also constitute a barrier. In many cases, a lack of engagement with the base means that officials have little understanding of member perspectives. This can also result in a lack of diversity and representativeness within unions' governance structures. The limits of top-down approaches that are not informed by member perspectives become all too apparent during times of crisis, when unions may struggle to mobilize a membership that understands their union as a service provider rather than an organization driven by member participation. And while the COVID-19 pandemic has presented unions with an opportunity to engage and involve its membership in new ways, there is still much to be done in this respect if unions are to position themselves as a key player in a post-pandemic world.

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