

## Malaysia (January-March 2016)

<b>Key partners</b>	Ministry of Human Resources (MOHR) Malaysian Employers Federation (MEF) Malaysian Trades Union Congress (MTUC) Tenaganita
<b>Target sites</b>	Kuala Lumpur and Selangor , Penang, Johor Bahru
<b>Focal point</b>	Anni Santhiago, National Project Coordinator (NPC), <a href="mailto:santhiago@ilo.org">santhiago@ilo.org</a> , +(60)3 2091 5151

### Background information

Although population growth has remained relatively high in Malaysia, its rapidly expanding economy, increasing urbanization and relatively low-level of labour force participation among women continue to create a major demand for migrant workers. Most estimates suggest that there are 3–4 million migrants currently employed in Malaysia, which would constitute approximately 20–30 per cent of the country's workforce.

With close to full employment since 1990 and higher educational attainment among nationals, migrant workers have for many years filled substantial shortages in the supply of low-skilled labour for key economic sectors. Approximately one-third of the agricultural, manufacturing and construction workforce are migrants, industries which collectively contributed MYR297 billion (US\$68 billion) or 35.7 per cent of Malaysia's gross domestic product in 2014. Even these high rates of sectoral employment of migrants are known to fall short of the reality as they do not account for irregular migrant workers.

For many years, targets have been set and policies introduced to reduce the number of migrants employed in the country in order to encourage economic restructuring. However, changing the composition of its labour force has proven difficult to achieve, with employers complaining of severe shortages in some industries when more restrictive policies have been applied. Pushback from the private sector has contributed to awkward policy shifts and incoherence in some cases, such as the abrupt decision to allow payment of the migrant worker levy to be transferred back to workers after instituting a minimum wage (this policy has now been reversed). The goal of capping employment of migrants at 1.5 million workers as of 2015 once again was not attained.

Recent developments on international trade are likely to increase the need for workers in export-oriented enterprises, as well as to ensure that their employment is in line with international labour standards. Malaysia has become a party to the newly concluded Trans-Pacific Partnership (TPP), an agreement that will form the world's largest free trade area along the Pacific Rim. The Labour Chapter requires states to adopt and implement laws in accordance with the ILO Declaration on Fundamental Principles and Rights at Work. As a result, Malaysia's record on eliminating forced labour, abolishing child labour, prohibiting discrimination in employment and safeguarding freedom of association and the right to collective bargaining for migrant workers is receiving increased scrutiny from the international community.

In particular, the situation of the estimated 300,000–400,000 migrant domestic workers employed in Malaysia continues to be a major concern, particularly because of their lack of protection under the labour law. Due to the physical isolation of their workplaces, restrictions on movement and inadequate mechanisms established to ensure accountability of employers, a large number of domestic workers suffer from abusive working conditions each year, including cases of forced labour.

## Malaysia at a glance

 Population: 30.2 million

 Labour Force: 13.9 million

## Migration to Malaysia

### Main countries of origin:

Indonesia, Nepal, Bangladesh, Myanmar, India, and the Philippines

### Regular migrants registered:

2.1 million (October 2015)

**Indonesia** 828,283

W272,572: M555,711

**Philippines** 18,385

W45,658: M18,385

**Myanmar** 120,467

W22,589: M143,056

**Viet Nam** 51,169

W26,274: M24,895

**Thailand** 12,442

W5,727: M6,715

**Cambodia** 8,548

W6,549: M1,999

**Lao PDR:** 61

W45: M16

Source: Immigration Department, Ministry of Home Affairs. Malaysia.

## Main activities (January – March 2016)

- On 2 February, A Review of labour migration policy in Malaysia was published. The review assesses key recent policy changes made and how they have been implemented in practice, in order to provide recommendations for further strengthening of labour migration governance.
- On 23 February, the activities of the Migration Works Campaign were presented at a forum (W12: M8) hosted by the Malaysian Centre Constitutionalism and Human Rights and organized by Projek Dialog, an initiative to raise awareness on the situation of migrant workers.
- On 11 March, the Review of the government-to-government mechanism for the employment of Bangladeshi workers in the Malaysian plantation sector was published. It has been widely disseminated among constituents and other stakeholders in both countries.
- On 3 March, the Migration Works campaign organized a dialogue session (M8) with the Tamil print and online media journalists to raise awareness of migrant workers' rights and issues and the need to highlight positive stories and contributions of migrant workers in Malaysia.
- On 5 March, Migration Works participated in a symposium organized by Gerak Budaya that investigated the intersection between experiences of migration and experiences of gender in contemporary Malaysia (W30: M10). The Journey of Hope Art exhibition was also displayed at the symposium.
- On 28 March, TRIANGLE held its first Project Advisory Committee meeting in Putrajaya, with participation from Government and social partners (W6:M11). The meeting introduced the TRIANGLE II project to stakeholders and reviewed the project's one year work plan.
- On 30 March, Migration Works partner MTUC spoke at a Forum on labour migration issues and challenges organised by a student group at Amjal University (W3: M25). MTUC discussed the contribution of migrants and the gender dimensions of migration. An exhibition of Journey of Hope was organized to complement the discussion on real experiences of migrants in Malaysia.

## Upcoming activities and key dates (April – June 2016)

Date	Event	Location	Attendees	Purpose
April	The Migration Works campaign, in cooperation with Public Media Group, will host a workshop and the 'Journey of Hope' art exhibition.	Petaling Jaya, Selangor	Students, Lecturers	To create awareness of migrant workers' contribution and experiences in Malaysia.
May	Training for labour attachés on negotiation skills	Kuala Lumpur	Bar Council, Labour attachés,	To strengthen the negotiation skills of labour attachés to enhance paralegal work on behalf of migrant workers and other stakeholders.
May	Media reporting on the rights of Migrant Workers organized by the AICHR Regional Forum on Media & Human Rights in ASEAN.	Kuala Lumpur	Media, Government officials	To exchange views and best practices on media reporting that promotes rights for migrant workers.
June	A workshop to update and expand on MEF tools and training approaches for employers of migrant workers	Kuala Lumpur	MEF, ILO	To continue to engage employers in building solutions for sustainable and rights-based migrant worker management.

## Key developments

- On 28 January, the Malaysian Government introduced the Illegal Immigrant Re-hiring programme to regularise irregular migrant workers.
- On 1 February, the Government introduced new levy rates for manufacturing, construction and service sectors (RM2,500) and the plantation and agriculture sectors (RM1,500). Domestic workers are exempted.
- On 18 February 2016, the MOU to employ Bangladeshi workers in Malaysia through a new recruitment system was signed by Malaysia and Bangladesh. On 19 February, the Government announced a freeze on the recruitment of workers from all countries of origin until labour needs are assessed.

## Media

Date	Title	Media source
26 March 2016	Gender Parity, An Opportunity For Women To Spur Country's Economic Growth - ILO	<a href="#">Bernama national news agency</a>

The **TRIANGLE II** project extends the cooperation between the **International Labour Organization (ILO)** and **Australian Department Of Foreign Affairs and Trade** on protecting migrant workers and enhancing development opportunities. **TRIANGLE II** aims to ensure that the benefits of labour migration are equally realised by men and women migrant workers; employers and governments. In shifting emphasis towards harnessing the development potential of migration, **TRIANGLE II** aims to shape labour migration opportunities to support inclusive and sustainable growth in the ASEAN Economic Community. **TRIANGLE II** focuses on delivering in six countries (**Cambodia, Lao PDR, Malaysia, Myanmar, Thailand, and Viet Nam**) and engages institutionally with **ASEAN**.