



International
Labour
Organization



The ILO in Malaysia

KEY FACTS AND FIGURES



Population
(2017)

32 million



GDP per capita
(2012)

US\$14,775

	Total	Male	Female
Labour force (2017)	15M	7.5M	5.3M
Labour force participation rate (2017)	68%	75.3%	44.3%
Employment to population ratio (2017)	57.5%	73.1%	42.9%
Unemployment rate (2017)	3.4%	3.3%	3.5%

RATIFIED CONVENTIONS

Malaysia has ratified 18 ILO Conventions including 6 of the 8 Fundamental Conventions:

- C.29 Forced Labour Convention, 1930
- C.98 Right to Organise and Collective Bargaining Convention, 1949
- C.100 Equal Remuneration Convention, 1951
- C.105 Abolition of Forced Labour Convention, 1957 (Not in force)
- C.138 Minimum Age Convention, 1973
- C.182 Worst Forms of Child Labour Convention, 1999

Malaysia is one of the most dynamic and rapidly developing countries in South-Eastern Asia and has set ambitious goals for its socio-economic growth and well-being. The New Economic Model (2010) and Eleventh Malaysia Plan 2016-2020 envisions Malaysia as a high-income nation by 2020, with a skilled workforce and reduced socio-economic inequalities. At the same time, Malaysia continues to integrate its economy globally and regionally, particularly via the ASEAN Economic Community (AEC) established in late 2015.

Despite relatively high population growth and long-term policy commitments to reduce the country's dependence on foreign workers to 15 per cent of total employment,¹ Malaysia's rapidly expanding economy, increasing urbanization and relatively low labour force participation among women continues to create a major demand for migrant labour. According to recent estimates, there are approximately at least 3.85 million foreign migrant workers in Malaysia, including both documented and undocumented workers – representing one quarter of the country's total labour force.²

The Eleventh Malaysia Plan, marks a critical step in the country's journey towards the realization of the "Vision 2020" to become an advanced nation that is inclusive and sustainable, a fully developed country along all dimensions - economically, politically, socially, spiritually, psychologically and culturally. The Mid-Term Review of the Eleventh Malaysia Plan sets out new priorities and emphases for the period 2018-2020. The six pillars which are crucial in the next few years are: 1) Inclusiveness towards an equitable society; 2) Improving wellbeing for all; 3) Accelerating human capital development for an advanced nation; 4) Pursuing green growth for sustainability and resilience; 5) Strengthening infrastructure to support economic expansion; and 6) Re-engineering economic growth for prosperity.

¹ *Strategic Plan of the Malaysian Ministry of Human Resources (MOHR), 2016-2020*
² L. Hwok-Aun and K.Yu Leng: *Counting migrant workers in Malaysia: A needlessly persisting conundrum* (Singapore, ISEAS Yusof Ishak Institute, 2018)

THE ILO - WHO WE ARE

The International Labour Organization (ILO) is the United Nations agency for the world of work. Devoted to advancing social justice, it promotes a Decent Work Agenda based on four strategic pillars: rights at work, decent employment opportunities, social protection and social dialogue.

It is the only public international organisation which is tripartite, where workers and employers enjoy equal rights with governments in representation and decision making. Together they set labour standards, develop policies and devise programmes upholding decent and productive work, in conditions of freedom, equity, security and dignity for all.

Created in 1919 as part of the Treaty of Versailles that ended World War I, the ILO became the first specialized agency of the UN in 1946. It received the Nobel Peace Prize in 1969 and today is recognized as the world's authority on the world of work, offering over 100 years of knowledge, experience and achievements.

THE ILO IN MALAYSIA

Malaysia has been a member of the ILO since 1957. The ILO's technical cooperation work in Malaysia is supported through the ILO Regional Office for Asia and the Pacific in Bangkok, Thailand.

What we do

Consistent with Malaysia's status as a high middle income country, ILO technical cooperation has been focused on building relevant capacities of the Government of Malaysia, the Malaysian Employers Federation (MEF) and the Malaysian Trade Union Congress (MTUC); facilitating tripartite dialogue; and providing technical advice and promoting international labour standards (ILS). In line with Malaysia's significant resource capacity, technical cooperation is largely implemented through direct trust funds based on the employment-related provisions of the Malaysian Government's "New Economic Model" and the Eleventh Malaysia Plan. This commitment is supplemented by multi-year Development Cooperation Projects supported by international development partners. The outcome and output of those development cooperations are set out in the Decent Work Country Programme (DWCP) Malaysia. The ILO contributes programme coordination, specialist technical advice and capacity development support in agreed priority areas.

Decent Work Country Programme (DWCP)

The first Malaysia Decent Work Country Programme (DWCP) 2019-20 serves as a framework for cooperation between the ILO, the Government of Malaysia, the Malaysian Employers Federation (MEF) and the Malaysian Trades Union Congress (MTUC) to achieve the Eleventh Malaysia Plan, new Priorities and Emphases for the period 2018-2020, and the Sustainable Development Goals (SDGs) by 2030. In particular, the DWCP will support Malaysia in implementation of SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. The formulation of the DWCP followed dialogue and consultation between the ILO and representatives of the Government of Malaysia, the MEF and the MTUC.

DWCP goal and priorities

Goal: Promote, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Priority 1: Rights at work: Protecting, promoting rights at work and recognize the importance of compliance with International Labour Standards (ILS) .

DWCP under this priority aims to: (i) strengthen labour legislation to ensure compliance with ILS; (ii) eradicate forced labour and child labour; (iii) promote harmonious relations, including with respect to enhancing capacities for social dialogue, disputes resolution and the minimum wage system; and (iv) strengthen the labour dimensions of social security. Development cooperation in support of this priority are: 1) Labour Law and Industrial Relations Reform; and 2) From Protocol to Practice: A Bridge to Global Action on

Forced Labour.

The development partners supporting these development cooperation projects is the US Department of Labour (USDOL) .

Priority 2: Future of work: Strengthening national capacities to meet the needs of current and future work.

This priority takes account of the rapidly evolving national, regional and global "world of work" and the need to ensure that employers and workers are well positioned to take advantage of new opportunities and address emerging challenges, with a particular focus in the DWCP context on skills development and certification. Cooperation under this Priority aims to: (i) increase the knowledge and analytical base on future of work related issues; (ii) promote inclusive skills development, recognition and certification; and (iii) strengthen institutional capacities for labour market analysis, including with respect to monitoring and reporting on decent work indicators and targets under the SDGs.

Priority 3: Labour migration: Strengthening labour migration governance.

This priority recognises both the importance of labour migration to the Malaysian economy (both inwards and outwards) and the country's plans to reduce its dependence on foreign workers. Cooperation under the DWCP aims to: (i) strengthen implementation of labour migration governance in line with the ILO Multilateral Framework and standards and ASEAN instruments in selected sectors; (ii) increase access to support services for foreign workers and; (iii) mainstreaming gender approaches. Development cooperation under of this priority are: 1) TRIANGLE in ASEAN; 2) Protecting the rights of migrant domestic workers and plantation workers through improved labour migration governance; 3) Protecting the Rights of Migrant Workers through Empowerment and Advocacy in Malaysia; 4) SAFE AND FAIR: Realizing women migrant workers' rights and opportunities in the ASEAN Region; and 5) Global Action to Improve the Recruitment Framework of Labour Migration.

The development partners supporting the implementation of these development cooperation projects included USDOL, Australian Government, US Department of State (USDOS), and European Union (EU).

Social partners

The ILO focuses on facilitating dialogues between social partners and providing advice on ratifying and implementing international labour standards. The ILO supports the constituents namely Government, MTUC and MEF, in their efforts to achieve decent work and social justice in Malaysia.

Decent work: a key to achieving the Sustainable Development Goals



“Decent work is not just a goal – it is a driver of sustainable development”

Guy Ryder, ILO Director General

By embracing the three dimensions of sustainability – economic, social and environmental, the 2030 Agenda for Sustainable Development provides a once-in-a-generation chance to make a change and improve the lives of billions, leaving no one behind.

At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while working to preserve our planet.

The importance of decent work in achieving sustainable development is highlighted by Goal 8 which aims to “promote inclusive and sustainable economic growth, full and productive employment and decent work for all”.

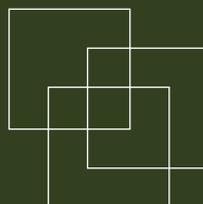
Putting decent work at the heart of economic policy-making and development plans will not only generate jobs but also lead to more robust, inclusive and poverty-reducing growth. It is a virtuous circle that is as good for the economy as it is for people, and one that drives sustainable development.

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