

EXPERTS' MEETING ON EXTENDING SOCIAL PROTECTION TO ASEAN MIGRANT WORKERS

MALAYSIA:
CHALLENGES IN PROVIDING SOCIAL PROTECTION
TO MIGRANT WORKERS IN ASEAN

MINISTRY OF HUMAN RESOURCES MALAYSIA

4TH JULY 2017

SOCIAL PROTECTION FLOOR

- EPF ACT
- SOCSO ACT
- WORKMEN COMPENSATION ACT
- EMPLOYMENT INSURANCE SCHEME
- MINIMUM WAGES ACT
- RETIREMENT AGE ACT
- SEVERANCE PAYMENT:
EMPLOYMENT ACT 1955
- EMPLOYERS UNDERTAKING
- GUIDELINE ON ACCOMODATION
FOR WORKERS
- RETURN TO WORK: SOCSO
- EMPLOYMENT SERVICES:
JOBSMALAYSIA CENTRE
- SPIKPA: HOSPITALISATION
- REHIRING PROGRAM
- VULNERABLE GROUPS: PWDs,
SINGLE MOTHER, SENIOR CITIZEN
- BRIM

CHALLENGES

- Government policy covers only legal and documented foreign workers;
 - Majority of social security schemes begin with and only for local workers eg. EPF, SOCSO & EIS;
 - Coverage of social protection scheme only between formal sector and not extended to informal sector;
- Bilateral and multilateral social security agreements exist, mostly cover formal workers, leaving migrant workers in irregular situations and/or working in the informal economy unprotected.
- Lack of coordination mechanisms between countries can prevent migrant workers from obtaining coverage under social security scheme;
- Unilateral measures: countries of employment can unilaterally provide equality of treatment between nationals and non-nationals as regards social security coverage as well as the payment of benefits abroad. Also, countries of origin can provide a basic level of protection to their nationals working abroad through voluntary insurance.

CHALLENGES

- Difficulties in getting consensus among stakeholders:

Government VS Employers VS Unions VS International Standards VS Political Factors due to increase cost of doing business, additional operational cost and economic slow down;

-Needs subsidies and tax exemption to buy-in employers group.

- Lack of comprehensive coverage of social protection for foreign workers - CAS Committee of the ILC: C19 - SOCSO Act VS WC Act, OSH in workplace, systematic distribution of compensation to dependent in terms of death workers:- Myanmar (sanction), Indonesia (fraud document);
- Limited capacity or coverage of online system – preventing availability and data collection;
- Legal barriers to social protection for foreign workers;
- Lack of resources in terms of manpower;

CHALLENGES

- Limited financial assistance by government via providing grant or seed fund;
- Lack of available information and language barriers;
- Lack of resources in terms of manpower;
- Lack of comprehensive policy on governing foreign workers;

Malaysia is in the midst of enhancing the management of foreign workers:-

- MOUs
- deduction of wages
- termination of workers with longstanding injuries or sickness
- no redress mechanism
- standard contract of service
- workers' accommodation
- debt bondage
- high recruitment fees
- salary payment through bank account
- rehiring program
- E-Card
- ECT.

THANK YOU