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► TRIANGLE in ASEAN

Quarterly Briefing Note

Malaysia



July - December 2023

Key developments

Since January 2023, Malaysia has been implementing a <u>Second Labour Recalibration Programme (RTK 2.0)</u>. As of 13 October 2023, under RTK 2.0, about 518,000 undocumented migrants had been issued new work permits for work in the manufacturing, construction, farming, agriculture and services sectors. The deadline for employers to complete the registration process of their migrant workers in an irregular status is 31 March 2024, after which the immigration laws will be implemented, and action taken against the employers and the migrant workers who were not legalized. The earlier First Labour Recalibration Programme (RTK 1.0), which ran from November 2020 to December 2022, saw 418,649 undocumented migrants registered, involving 30,137 employers.

On 19 October 2023, Home Minister Datuk Seri Saifuddin Nasution noted that relaxation on the regulations on entry of migrant workers, together with the RTK 2.0, had led to an excess of migrant workers in some sectors, while others are experiencing a deficit. The Home Minister reported that, as of 9 October 2023, a total of 667,418 migrant workers had entered Malaysia, compared to a forecast of 518,000 workers needed. Services and manufacturing sectors were experiencing a surplus with 142,204 migrant workers entering (against a forecast need of 20,000) in the services sector and 197,213 migrant workers entering (against 50,000 needed) in the manufacturing sector. Construction, plantation and agriculture sectors were still lacking the required number of foreign workers. There were 220,230 migrant workers in construction against the 301,000 needed for the sector; 52,123 against the 57,000 needed in the plantation sector; and 53,648 foreign workers against the 90,000 needed in agriculture.

The recent upsurge in admissions has also led to situations where migrant workers from Bangladesh and Nepal arrived in Malaysia through regulated channels but remained <u>stranded and unemployed for months</u>. An investigative story by the news outlet *Malaysiakini*, for instance, found hundreds of workers recruited under quotas obtained using fake documents. The victims of such fraud include a <u>group of 171 migrant workers from Bangladesh</u> who were arrested by police in Kota Tinggi, Johor, on 20 December when they attempted to lodge a police report against their agent. Several rights groups have called for release of the arrested workers. On 27 December, the <u>Malaysian Trades Union Congress (MTUC) called on the government</u> to conduct a thorough investigation and identify all migrant workers who arrive in Malaysia with promises of job opportunities but end up without employment.

Main programme activities

A field visit to document good practices and lessons learned from TRIANGLE-supported Migrant Worker Resource Centers (MRC) in Malaysia was conducted on 25–26 September. This visit was conducted as part of a regional assessment of ILO-supported MRCs (see more in the TRIANGLE ASEAN regional Quarterly Briefing Note). The assessment covers MRC activities related to information, counselling and training on safe migration and labour rights; legal assistance services to

increase access to justice; and organizing migrants into networks and trade unions. In addition to documenting lessons learned and good practices from the implementation of MRCs, the report will be used to build capacity and share information and successful approaches between MRCs in the region, as well as contribute to the global knowledge base on the provision of support services to migrant workers through MRCs to support replication in other regions. TRIANGLE in ASEAN continues its partnership with MTUC to provide support services to migrant workers through two **Migrant Worker Resource Centers** in Kuala Lumpur / Selangor and Penang.



Malaysia Tripartite-Plus Preparatory Workshop for the 16th ASEAN Forum on Migrant Labour on 12 October 2023.

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On 12 October, TRIANGLE in ASEAN and the Ministry of Human Resources (MOHR) co-hosted the Malaysia <u>Tripartite-Plus Preparatory Workshop for the 16th</u> ASEAN Forum on Migrant Labour (AFML). The workshop was attended by 55 participants (W:31; M:24) from MOHR, the Social Security Organisation (SOCSO), the Ministry of Home Affairs, other line ministries, the National Human Rights Commission (SUHAKAM), labour attaches from several embassies, employers' organizations, recruitment agency associations, civil society organizations, migrant worker communities and UN agencies including the ILO, IOM and UNODC. Lively discussions led to development of 17 recommendations, which cover the following issues, among others: allowing migrant workers freer labour market access, revisiting discriminatory criteria in admission policies, and enabling mobility for semi-skilled or higher skilled migrant workers. Malaysia's recommendations were

shared with the delegates at the regional 16th AFML hosted in Jakarta, Indonesia, on 25-26 October 2023.

On 21 December, the TRIANGLE in ASEAN programme Malaysia results in 2023, and key priorities for 2024 were presented and reviewed in the **Second Malaysia Decent Work Country Programme (DWCP) Meeting** organized by MOHR in Putrajaya, Malaysia. The meeting participants included representatives of various MOHR Divisions, MTUC and the Malaysia Employers' Federation (MEF) as well as an ILO delegation led by the ILO Deputy Regional Director and consisting of ILO staff from Kuala Lumpur and Bangkok.

From 1 October–31 December, the <u>SaverAsia website</u> received a total of 12,204 users from Malaysia. This represents 36.7 per cent of the total SaverAsia user base across the region. The most used function for users in Malaysia is the <u>overtime pay calculator</u> (18,063 page views). In addition to the website, the **SaverAsia app** saw an increase of 120 users, 336 sessions and more than 458 page views from Malaysia. In the quarter, **SaverAsia's social media reach** in Malaysia was 653,705 impressions and 5,499 video views (at least 3 seconds).

► TRIANGLE in ASEAN Programme Quarterly Briefing Note Malaysia

► Media Coverage

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Date	Title	Media Source
29 August	For some migrant workers, 'home' is a living hell	Free Malaysia Today
15 September	Malaysia penalises 400 companies so far this year for violating labour laws	Al Jazeera
19 October	Huge excess of migrant labour	The Star
13 November	HR minister: We pay close attention to mistreatment of foreign domestic workers	Malay Mail
30 November	Migrant Domestic Workers in Malaysia: Forced Labour and its Catalysts	New Naratif
3 December	Activists push for reforms in migrant worker system	Free Malaysia Today
13 December	Prioritise labour reforms over ministerial changes, govt told	Free Malaysia Today
25 December	Malaysian police raid against illegal migrant workers fuels 'xenophobic' views amid calls for greater tolerance	South China Morning Post

Malaysia

Malaysia at a glance (2023)

Population: 34.7 million Labour Force: 17.5 million

Source: ILOSTAT, 2023.

Migrant workers in Malaysia (2022)

1,997,800 migrant workers

(Sex-disaggregated data not available)

Source: Department of Statistics, 2023.

Migrants from ASEAN countries in Malaysia (2019)

Indonesia: 690,659 migrants Myanmar: 140,461 migrants Viet Nam: 17,327 migrants Philippines: 51,837 migrants Thailand: 14,928 migrants Cambodia: 3,321 migrants Lao PDR: 44 migrants

Source: Immigration Department, Ministry of Home Affairs (September 2019).

TRIANGLE in ASEAN delivers assistance directly to migrant workers and their communities through two Migrant Worker Resource Centres (MRCs). These MRCs are managed in partnership with the Malaysian Trades Union Congress and are based at Kuala Lumpur/ Selangor and Penang.

Since the start of the programme up until the end of 2022, TRIANGLE in ASEAN reached 20,282 migrant workers (45% women) through the Malaysian MRCs.

Background information

Although population growth has remained relatively high in Malaysia, its rapidly expanding economy, increasing urbanization, highly educated population and relatively low labour force participation among women continue to create major demand for migrant workers to perform lowpaid jobs. The Department of Statistics Malaysia reports that 1,997,800 regular migrant workers were employed in Malaysia in 2022. This constitutes about 12.9 per cent of the country's total employment (ADBI, ILO and OECD, 2023). However, a World Bank report estimates that 2.96 to 3.26 million migrant workers, including 1.23 to 1.46 million migrant workers in irregular situations, were residing in Malaysia in 2017 (World Bank 2019). Approximately one-third of workers in the services sector and one-fourth in agriculture are migrants (World Bank 2019).

Despite their ubiquity within the labour market, the role migrant workers play in filling the demand for low-paid and largely manual labour has not been readily accepted (with a few exceptions, including in domestic work). For many years, targets have been set and policies introduced to reduce the labour market dependency on migrant workers. However, changing the composition of the labour force is difficult, with employers complaining of severe shortages in some industries when more restrictive policies have been applied.

Political and public discourse have regularly dovetailed in portraying migrant workers as a potential threat to national security and detrimental to the country's long-term social and economic development (see ILO, *Public attitudes towards migrant workers in Japan, Malaysia, Singapore and Thailand,* 2019). Labour migration policy in Malaysia has tended to be formulated largely from the standpoint of controlling immigration and maintaining public safety rather than labour administration, as indicated by the authority granted to the Ministry of Home Affairs over migration issues.

During the last several years an increasing number of ILO, media, NGO reports have documented serious labour rights abuses against migrant workers in Malaysia, including potential cases of forced labour and human trafficking. TRIANGLE in ASEAN's 2023 study <u>Skilled to care, forced to work? Recognizing the skills profiles of migrant domestic workers in ASEAN amid forced labour and exploitation</u> found that 29 per cent of surveyed migrant domestic workers in Malaysia reported conditions meeting the ILO's statistical definition of forced labour. In Malaysia,

the survey results indicate high levels of isolation and restriction on migrant domestic workers' freedoms, including freedom of movement and freedom to change employer. About seven per cent of migrant workers in Malaysia are employed as domestic workers (World Bank 2019), with MOHR reporting 200,000 – 300,000 documented workers in the sector (MOHR 2018).

Key partners
 Ministry of Human Resources (MOHR)
 Malaysian Employers Federation (MEF)
 Malaysian Trades Union Congress (MTUC)
 Target sites
 Kuala Lumpur/Selangor and Penang
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TRIANGLE in ASEAN extends the cooperation between the **International Labour Organization** (**ILO**), the **Australian Government Department of Foreign Affairs and Trade and Global Affairs Canada** on protecting migrant workers and enhancing development opportunities. **TRIANGLE** in **ASEAN** aims to ensure that the benefits of labour migration are equally realized by men and women migrant workers; employers and governments. In shifting emphasis towards leveraging the development potential of migration, **TRIANGLE** in **ASEAN** aims to shape labour migration opportunities to support inclusive and sustainable growth in the ASEAN Economic Community. **TRIANGLE** in **ASEAN** engages institutionally with **ASEAN** and focuses on delivering in six countries (**Cambodia, Lao PDR, Malaysia, Myanmar, Thailand, and Viet Nam**).









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