

MEDIA RELEASE

MEF CALLS FOR FOREIGN WORKERS' ONE CHANNEL SYSTEM TO REMAIN WITH MINISTRY OF HUMAN RESOURCES

Petaling Jaya: Businesses are still trying to recover from the devastating impact of Covid 19 and the recent big floods and get back to normal as quickly as possible. With the opening-up of all the economic sectors, employers need foreign labour in many sectors like plantation, construction, manufacturing, restaurants and services sectors. These are the sectors that locals are not keen to fill up the vacancies that exist. The process of bringing in new foreign workers to Malaysia was revamped in April 2022 with MoHR spearheading the management of the One Channel System (OCS).

MEF President Datuk Dr. Syed Hussain Syed Husman PJN, J.P. stated that “MEF proposes that the recruitment and management of foreign workers including foreign domestic workers remain under MoHR for business efficacy. MEF proposes that the Ministry of Human Resources remains as the Ministry to administer and manage the recruitment of foreign workers including foreign domestic workers under the OCS. The MoHR is in better position to do all the required approvals instead of cross ministry involvement which waste too much time on bureaucracy and add costs. MEF believes that the MoHR being the custodian of Labour working with employers and unions should be the one stop Ministry to manage the OCS. MOHR also regulates the way employees including foreign workers work and had enough enforcement capacity to manage this. OCS under MoHR would be able to resolve most of the issues on recruitment and management of foreign workers.”

“Due to the freeze on recruitment of foreign workers and the inability to replace those whose PLKS expired for the last two years. As an example, palm oil plantations face acute shortage of harvesters that continue to result in loss of revenue for planters of more than RM 1bil per month and income to the government due to loss in palm oil yield. Palm oil industry may not be able to compete with that of Malaysia's neighbours by virtue of higher cost of sales and wastage. Shortage of workers severely impacted production especially for the E&E industries,

disrupted supply chain and business operations resulting in delays and being unable to meet new orders from both local and foreign buyers.”

“When the MoHR was given the custody to operate and manage the OCS since April 2022, the shortage of foreign workers faced by the country eased steadily. In October 2022, Datuk Seri M. Saravanan, the then Minister of Human Resources stated there were about 1.24 million foreign workers in the country, almost the same figure as before Malaysia was hit by the Covid-19 pandemic. There were about 1.5 million foreign workers in Malaysia before Covid-19. The number of foreign workers was projected to increase as at the material time there were 238,000 foreign workers from the source countries who have been given approval to work in Malaysia. The above figures do not include about 640,000 applications that were awaiting the biometric and medical process in October 2022.

“Based on the above situation MoHR proved to be capable of resolving the issues of shortage of foreign workers faced by businesses and there is no reason why the management of OCS be transferred from MoHR to other ministries”

Datuk Dr. Syed Hussain states further that “We all need to work together to get our economy back to track. There are many challenges ahead of us and they are not getting easier. We know MoHR is doing its level best. Having too many ministries involved in management and administration of foreign workers cannot solve the delays in bringing new foreign workers urgently. It has to remain in MoHR with single source where communication can be much faster, and issues resolved better. This has to remain with MoHR.”

“We must be clear that all labour matters should remain to be managed and monitored by MoHR. The MoHR is the enforcement ministry of foreign labour issues in all aspects. Therefore, MoHR knows better on the needs of businesses and to ensure all human resources requirements are complied with. We appeal to the government to allow MOHR to remain to be the sole contact point for foreign workers.”

“Under the tripartism principles, Employers and Employees and their Trade Unions have many meetings with MOHR to discuss labour policies and resolve human resources matters. The MoHR officials from the JTK, Manpower Department, Skills Development Department and



DOSH are well aware of the situation on the ground”, adds Datuk Dr. Syed Hussain

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