

# Decision on workers' levy leaves MTUC baffled

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'Exploitative and greedy employers are manipulating influential people in the system.'



PETALING JAYA: The Malaysian Trades Union Congress (MTUC) has admitted to being baffled by the government's decision to delay shifting the responsibility of paying the foreign workers' levy to employers.

"We are not sure why the cabinet has made such a decision without consulting its social partners," MTUC secretary-general J Solomon told FMT.

"This is a lesson for local and foreign workers to be united and get behind the MTUC at all times and to speak in one voice so that the government will be able to act consistently for the benefit of all."

He warned that the government was building a bad international image for itself because the decision could be construed as a failure to comply with international standards.

"The government will be unable to work in the interest of the people because of certain exploitative and greedy employers who are manipulating influential people in the system," he said.

He added that MTUC was willing to participate in discussions with the government, employers and workers to resolve the "unnecessary and unproductive issue".

Meanwhile, the Malaysian Employers Federation (MEF) said it was relieved that workers would continue to pay the levy until next year.

MEF executive director Shamsuddin Bardan told FMT the delay gave employers time to decide whether to continue using foreign labour or switch to automation.

“We also suggest that foreign workers be required to pay a security deposit that is refundable when they return home,” he said.

Making employers pay a higher security deposit would not prevent the workers from absconding, he said in reference to a statement made by Deputy Prime Minister Ahmad Zahidi Hamidi last month, when he announced that the cabinet had decided to make employers pay the levy on foreign workers.

That announcement provoked protests from employers, leading to yesterday’s statement from Transport Minister Liow Tiong Lai that the cabinet had decided to delay implementing the decision.

Shamsuddin also called for the removal of employment agents from the recruitment process.

“Without agents, the cost of hiring foreign workers can be reduced by 70%,” he said.