

Malaysia Considers Amnesty for Illegal Immigrants

By LIZ GOOCH

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KUALA LUMPUR — Malaysia is considering what could become its largest-ever program to legalize illegal immigrants.

There are estimated to be as many as two million illegal immigrants in this Southeast Asian country, which relies heavily on foreign labor.

The plan, which is expected to be discussed at a cabinet committee meeting Wednesday, is designed to help the government keep track of foreign workers in the country, which could improve national security, reduce human trafficking and increase tax revenues.

Economists say the effort to grant amnesty to illegal workers would also help make Malaysia more attractive to investors because it would increase the legal labor pool. Employers have long complained about labor shortages in Malaysia, a country of 28 million with an unemployment rate of 3 percent in March. Many Malaysian industries, including the plantation and construction sectors, depend heavily on workers from Indonesia, India and Myanmar. Malaysia has about two million legal foreign workers.

The home minister, Hishammuddin Hussein, has said that the government is in the process of screening several private agencies to help the government register illegal workers.

“We are starting with the biometric system, as we can use thumbprints to register illegal immigrants,” The Star, a Malaysian newspaper, quoted him Tuesday as saying.

The minister’s comments were confirmed by a ministry official who requested anonymity because he was not authorized to comment publicly on the program. The official said that although the plan had not yet been formally approved, it had already been discussed extensively by several ministries. “It will eventually take effect,” he said.

Aekapol Chongvilaivan, an economist and joint coordinator of the Regional Economic Studies unit at the Institute of Southeast Asian Studies in Singapore, said he believed the Malaysian government wanted to legalize more foreign workers because that would create a larger legal labor pool. That, he said, would attract foreign companies to Malaysia and aid the expansion of domestic companies held back by labor shortages. Mr. Aekapol also said more Malaysian companies had been investing abroad in recent years, partly because they could not find enough workers at home.

But he said the amnesty plan might not be well received by Malaysians, who might fear losing jobs to foreigners.

In recent years, Malaysia has flip-flopped on labor policy. At times it has offered amnesty to illegal immigrants on a smaller scale, but in 2009, Malaysia banned the hiring of new foreign workers in the manufacturing and service sectors after a government report predicted layoffs.

Mr. Aekapol said Malaysia could learn from Singapore, which increased its competitiveness after legalizing some undocumented foreign workers in the 1960s.

According to Nilim Baruah, a chief technical adviser based in Bangkok with the

International Labor Organization, a number of countries have granted labor amnesty, including Greece, Italy, Portugal and Spain. He said that Thailand had announced a new round of registration to take place in June and July.

Shamsuddin Bardan, executive director of the Malaysian Employers Federation, said companies would welcome the move to increase the number of legal foreign workers. He said it would remove the risk that companies could be prosecuted for employing illegal immigrants, although he said such prosecutions were rare.

Amnesty International's Malaysia branch is concerned about reports in the local news media that under the program, immigrants would be required to pay heavily in fees and taxes to become legal and to be able to work. The ministry official could not confirm those reports.

"It is unrealistic to expect a migrant worker, whose salaries most often are low, to pay such an exorbitant fee," said Nora Murat, Amnesty Malaysia's executive director. She added that any fees should be borne by employers.

While Malaysia has long sought to reduce its dependence on foreign labor, Mr. Aekapol said that for now, "Malaysia has no choice but to welcome foreign workers."

In the long term, he said, Malaysia needed to focus on producing skilled workers by investing more in the education system and vocational training.