

# Cutting middlemen out of foreign worker recruitment will boost Malaysia's image, says MEF

NATION

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PETALING JAYA: Cutting third-party agents out of the foreign worker recruitment process will end modern slavery and uplift the image of Malaysian employers, says the Malaysian Employers Federation (MEF).

Its president Datuk Dr Syed Hussain Syed Husman said the decision by the Unity Government to stop using third-party agents was timely as employers were currently facing many other challenges in managing business costs.

He said that the decision to stop using the services of third-party agents will involve total cost savings of about 80% of the current costs of bringing each foreign worker from the source countries.

"MEF is thankful to the Unity Government under the leadership of Datuk Seri Anwar Ibrahim in assisting private sector employers, on many fronts, to play its role as the engine of growth for the nation.

"The reduction in costs in bringing foreign workers to Malaysia will resolve one of the major indicators of forced labour facing Malaysian employers, which is debt bondage when they come to Malaysia," he said in a statement Thursday (Feb 9).

Due to the involvement of third-party agents, the workers are forced to take high-interest loans or mortgage their properties to pay for the high recruitment fees, thus putting them into "debt bondage".

Syed Hussain added that high recruitment fees charged by third-party agents have long been the major cause for increased costs for foreign workers that want to work in Malaysia.

He also said that the intake of foreign workers should be done on Government to Government (G to G) basis to ensure that the interests and welfare of both employers and foreign workers are safeguarded.

"MEF hopes that the new policy of ending the use of third-party agents to recruit foreign workers will be implemented as soon as possible so that the efforts by employers to recover their businesses will be on track and the nation be on the right momentum for the targeted GDP growth of between 4% and 5% for 2023," he said.

Syed Hussain also suggested the government allow employers to formally recruit refugees that hold valid UNHCR refugee cards, in order to plug the current shortage of foreign workers.

He said they could be allowed to work in sectors that are not popular with locals.

"These refugees are already in the country

comprising many skilled and unskilled refugees.

"Allowing the refugees to work will not attract travelling costs as they are already in the country and they will formally be required to pay the necessary taxes to the authorities," added Syed Hussain.

On Wednesday (Feb 8), Anwar said that he

wanted the Home Ministry to stop using agents to recruit foreign workers due to the higher costs involved.

Anwar also cited the example of foreign workers from Nepal which cost about RM3,700 per person as compared to foreign workers from Bangladesh and Indonesia where third-party agents are used that involve costs of between RM20,000 and RM25,000 for each foreign worker.