

WE, the undersigned **75** civil society organizations, trade unions and groups are shocked with the recent decision of the Malaysian cabinet on 30/1/2013 to allow employers of migrant workers to recover levy that they paid the government to employ foreign workers from migrant workers through wage deductions.

According to the law, workers in Malaysia were to receive minimum wages of RM900[USD291](for Peninsular Malaysia) and RM800[USD259] (for Sabah and Sarawak) as of 1/1/2013. Khalid Atan, the President of the Malaysian Trade Union Congress(MTUC) said, "...if workers were asked to pay the levy, the minimum wages policy would not benefit them at all, as whatever little increase in salary they enjoyed, would be wiped out with the levy payment..." [St ar, 10/1/2013, MTUC: Don't give in to employers' demand on foreign workers levy]

The Malaysian government, in the past, on the application of certain employers, allowed them to make wage deductions and/or wage advances, contrary to the general provisions in law with the

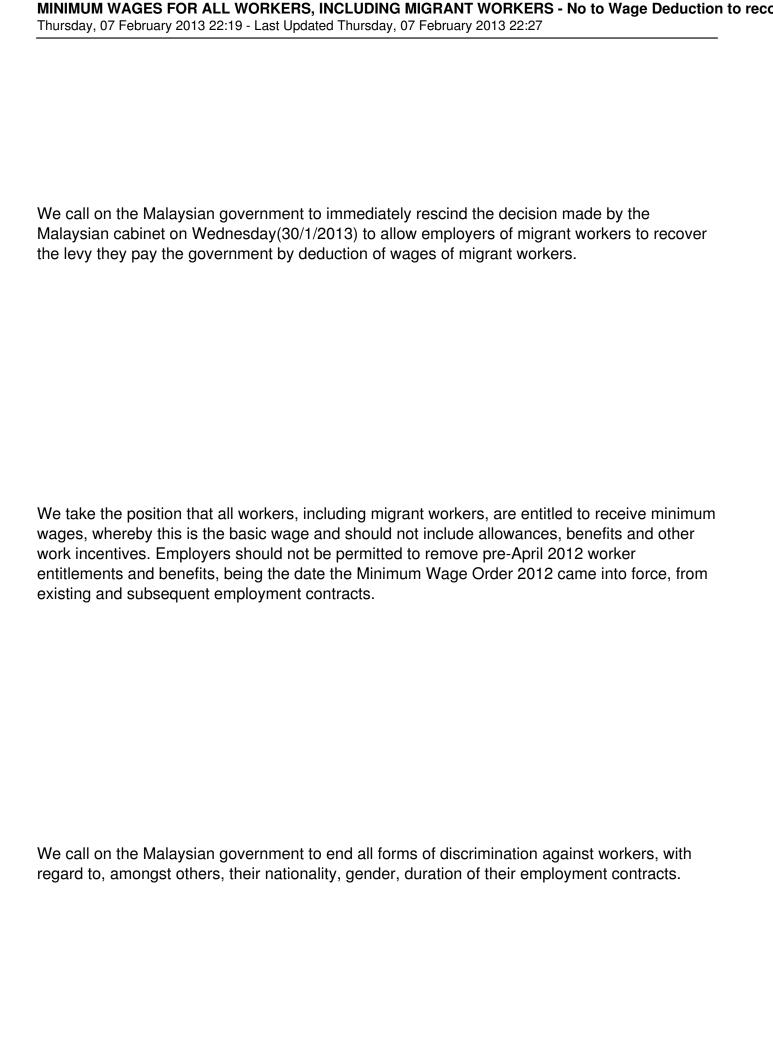
intention to allow employers to recover from migrant workers monies expended by employers to get migrant workers to Malaysia to work for them. This included sometimes not just a means to recover levy paid, but also all other costs incurred by employers to recruit and bring in migrant workers. Approvals were given by the government with no consultation or agreement of the worker or their unions. As of 1/4/2009, the Malaysian government stopped this practice, and made it clear that it is employers that have to pay the levy and they cannot recover the said sum from migrant workers.

Labour Director-General Datuk Ismail Abdul Rahim was reported saying that, "...The rationale behind getting employers to bear the levy was to discourage them from employing foreigners..." [Star, 16/4/2009, Employers can deduct levy from wages, again]. As such, this current move to make migrant workers pay the levy removes the very intention of levy, i.e. to discourage employers from employing foreign workers.

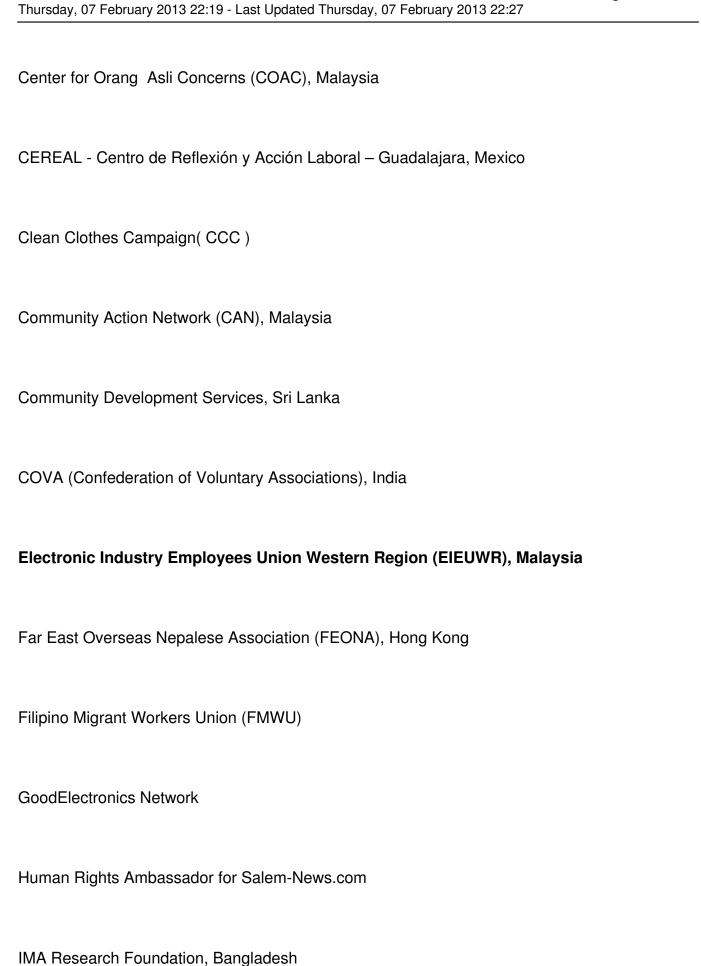
The reason for the new decision '... is to alleviate the hiring cost for employers, said Finance Minister II Datuk Seri Ahmad Husni Hanadzlah...' [Star, 30/1/2013, Cabinet: Foreign workers to pay levy instead of employers with immediate effect]

. If the Malaysian government now wants to reduce the financial burden of employers who hire migrant workers, then rightfully the government should reduce or remove the levy – not shift the burden to workers.

Migrant workers sacrifice a lot when they elect to come to Malaysia to work. They have to leave behind the spouses, children, family and friends for Malaysian law allows them to only come alone and work in Malaysia, and they also are barred from falling in love and getting married during their employment period which is usually for at least 5 years. They also end up incurring substantial debt when they come, for they have to pay, amongst others recruitment agents, most times these payments include both legal and 'illegal' payments. Whilst in Malaysia, they are bound to just one employer – having no right to change employers.
When they claim rights, even through existing legal avenues, they generally are terminated and their employment pass/permits are also cancelled depriving them the right to stay (or work) legally in Malaysia until their claims are resolved. The termination of these passes/permits is done by the Malaysian government irrespective of whether there are outstanding claims or pending cases concerning the said worker's rights.
This precarious reality of migrant workers makes them vulnerable to exploitation by some employers, knowing that it is most easy to violate worker rights and then get off scot free. Until laws and policies are amended to protect migrant's worker rights, naturally migrant workers become the preferred choice over local workers as they are certainly a more easily exploited class of workers.





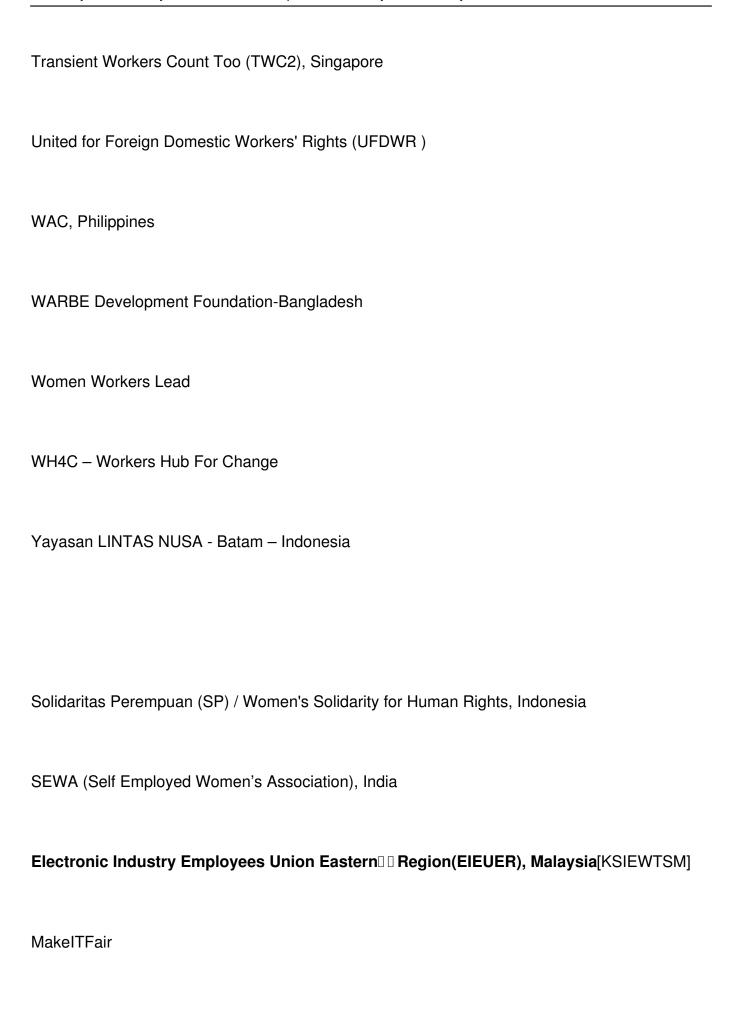


Migrant Health Association in Korea

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OKUP (Ovibashi Karmi Unnayan Program) in Bangladesh Parti Rakyat Malaysia(PRM) 10 / 13

Paper & Paper Products Manufacturing Employees' Union Of Malaysia (PPPMEU)
Persatuan Sahabat Wanita, Selangor
Persatuan Kesedaran Komuniti Selangor (EMPOWER)
Persatuan Masyarakat Selangor & Wilayah Persekutuan (PERMAS)
PILAR (United Indonesians in Hong Kong against Overcharging) , Hong Kong
Pusat KOMAS (KOMAS)
Saya Anak Bangsa Malaysia {SABM}
SUARAM, Malaysia
Tamilnadu Domestic Workers Union, India
Tamilnadu Domestic Workers Welfare Trust, India
Tenaganita, Malaysia



Migrant Care, Indonesia

CIMS (Centre for Indian Migrant's Studies)

United Filipinos in Hong Kong (UNIFIL-MIGRANTE-HK)

Kav LaOved - Protecting Workers' Rights