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MEF to ask Govt to reconsider labour ruling

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THE Malaysian Employers Federation (MEF) will ask the Government to reconsider its stand on restricting the recruitment of Indonesian workers.

MEF's executive director Shamsuddin Bardan said the MEF will convey its view on the matter through the Human Resources Ministry when the federation meets the ministry in a month's time.

"We will do a formal presentation.

"We will ask the Government to reconsider its stand on employing Indonesian workers last as it poses a problem to employers," he told reporters after an MEF media luncheon in Petaling Jaya yesterday.

Shamsuddin said copies of the presentation will also be sent to the Home Ministry.

The Government had recently imposed a temporary ban on new recruitment of Indonesian workers following riots by Indonesian workers in Nilai, Negeri Sembilan and Sepang, Selangor.

Prime Minister Datuk Seri Dr Mahathir Mohamad said that the Government wants to reduce Indonesian workers population in the country to stem the outflow of funds and reduce the risk of violence.

There are about 800,000 legal foreign workers in the country, of which Indonesians constitute about 73 per cent.

Shamsuddin said the MEF will comply with the new ruling but it is asking the Government to allow employers time to adjust.

He said employers find it difficult to replace Indonesians with workers from other countries immediately due to language and cultural factors.

"We have difficulty in communicating with Vietnamese and Laos people, just like some employers face problem with Nepalese as they only speak Nepalese and a bit of Hindi," he said.

He said under the Eighth Malaysian Plan (8MP, 2001-2005), the Government had projected that the composition of foreign workers in the total workforce would be reduced to 5 per cent by the end of the 8MP from the current 9 per cent.

The country's workforce is currently at 10 million.

Shamsuddin said in future, low-skilled jobs may still be best left to foreign workers while locals fill the higher-end positions.

MEF president Md Jafar Abdul Carrim said the Government should discuss with all parties concerned so that suitable solutions can be reached.

"We hope that the impact on companies and the economy per se is taken into consideration," he said when addressing the luncheon.

Md Jafar, who is also Sime Darby's regional director (Malaysia 1), said it would be destructive for industries if all Indonesian workers are shipped back.

"Indonesians have been with us for a decade now... there has been a huge skill accumulation.

"Sending all of them back will have an impact on the economy," he said, noting that the construction and manufacturing sectors are the hardest hit by the new ruling.

MEF also feels that it is inappropriate for the Government to introduce such a policy based on certain incidents because the riots in Nilai can be avoided by stricter control against the entry of illegal workers while the companies ensure their foreign workers abide by the rules and regulations.

Meanwhile, the Federation of Malaysian Manufacturers (FMM) said the recent riots by foreign workers were not due to the conditions directly

related to industry.

"Companies in Malaysia are obliged to treat foreign workers on the same terms as local ones in terms of wages as specified in Section 60L of the Employment Act 1955.

"Employers are required to provide accommodation, transportation as well as insurance coverage for foreign workers," it said in a press statement released yesterday.

The FMM had also asked the Government to continue allowing the recruitment of female Indonesian workers.

The federation, which represents over 2,000-member companies, said the manufacturing sector employs a large number of female workers from Indonesia.

"Recruiting female workers from other countries may be a problem as the supply of female manpower from those countries may not be forthcoming," it said.

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