

# MEF supports action against employers that terminate local employees on securing approval for foreign workers

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KUALA LUMPUR (March 2): The Malaysian Employers Federation (MEF) says it supports the government's action against employers that terminate local employees after securing approval quota to employ foreign workers.

In a statement on Thursday (March 2), MEF president Datuk Dr Syed Hussain Syed Husman said the MEF is concerned by the actions of some employers that had resorted to terminating local employees after obtaining approval quota to employ foreign workers.

"MEF is of the view that appropriate action should be taken against such employers.

"Malaysians are first priority to be employed for the vacancies and there is no compromise on giving priority for Malaysians to be employed first. Foreign labour will be employed where Malaysians do not desire to fill up such vacancies," he said.

Syed Hussain said the MEF is not hesitant to recommend to the Ministry of Human Resources that firm action be taken against employers that breach Section 60M of the Employment Act (EA) 1955.

He explained that Section 60M of EA provides that no employer shall terminate the contract of service of a local employee for the purpose of employing a foreign employee.

“Any employer or company found guilty of breaching section 60M EA may be fined up to RM50,000 for each offence.

“MEF supports the stand taken by the Ministry of Human Resources that for such cases, the approved quota to bring foreign workers will be cancelled.”

“However, (the) MEF is not sure if these employers are MEF members. MEF is addressing members of (the) MEF. MEF believes that this experience could be from other employers who are not MEF members. Anyway, MEF supports the actions of the Ministry of Human Resources,” he said.

Syed Hussain added that employers should not abuse the Relaxation Plan for the Hiring of Foreign Workers to the detriment of local employees.

For the period of Jan 17 until March 31, 2023, under the relaxation programme, the approval process for foreign worker quota applications in five critical sectors, namely plantation, manufacturing, construction, agriculture and restaurants, has been sped up and approval will be given within three working days.