

**MALAYSIA**

# MEF says 25 'reputable' Bangladeshi agency limit good for business, but MTUC and others disagree



File picture of foreign workers waiting to be tested for Covid-19 at Kampung Baru, Kuala Lumpur April 16, 2020. — Picture by Yusof Mat Isa

By Keertan Ayamany

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KUALA LUMPUR, June 27 — The Malaysian Employers Federation (MEF) has said it supports the government's creation of a quota for Bangladeshi recruitment agencies as it staves off the perception that Malaysian employers practise forced labour.

However, other stakeholders such as the Labour Law Reform Coalition (LLRC), Malaysian Trades Union Congress (MTUC) and the Malaysia HR Forum have opposed the 25 Bangladeshi agency limit.

In a written response to *Malay Mail*, MEF president Datuk Syed Hussain Husman said that he sees the government's move as addressing a need to ensure that employers "only deal with reputable recruitment agencies and avoid unscrupulous intermediaries".

"On the one hand, employers need workers to fulfil orders, but in our desperation for the workers, we also do not want our products to be confiscated by customs at the borders, as some Malaysian companies had experienced recently," he said.

On March 9, US authorities seized RM4.18 million worth of Malaysian palm oil shipments due to information indicating that the products were manufactured using forced labour.

Furthermore, last year, several large shipments of gloves manufactured by Malaysian companies were also seized due to similar allegations.

Syed Hussain, however, reiterated MEF's stance that it would prefer the government utilises the "existing workforce" in the country, including refugees and undocumented migrants — to overcome the current labour shortage in Malaysia.

To note, Malaysia has not set a recruitment agency quota for any other country that it has agreed to source immigrant labour from.

In response to MEF, Labour Law Reform Coalition (LLRC) chairman N. Gopal Kishnam questioned how MEF was able to determine that the agencies selected by the Human Resources Ministry were "reputable".

"How do they come to the conclusion that company A is reputable and company B is not reputable?" he asked.

"Malaysian employers are also partly responsible for forced labour. Perhaps not the company owners, but their subordinates (are partly responsible)," he added, explaining that controlling recruitment agencies alone was not going to solve forced labour.

To date, the Human Resources Ministry has not made public the names of the 25 Bangladeshi agencies it has selected, nor has it revealed the selection process for these agencies.

Arulkumar Singaraveloo, co-founder of Malaysia HR Forum, said that the best way to select a reputable agency and to avoid monopolisation was to have an open tender process for the selection of agencies, which involved an independent party jointly selected by both countries.

“In my view, the government, employers and agents need to play by the book. Special quotas [for agencies] need to be abolished no matter what the circumstances may be,” said the former general manager of human resources at Hartalega — a prominent glove

Arulkumar added that there was also a need for clear criteria for which employers qualify to hire immigrant workers, as well as a government-set quota for how many immigrant workers can be brought in from each approved country.

“My suggestion is that the government should enact criteria such as a local versus foreign worker ratio, and availability of approved housing [for the workers],” he said.

Meanwhile, MTUC acting president Effendy Abdul Ghani said that his organisation has been proposing for years to have recruitment of foreign workers done directly from government to government (G2G), regardless of country.

“We support any mechanism introduced as long as it is a matter of hiring employees, without the involvement of third parties, agents, outsourcing companies or employers,” he said.

G2G migrant worker recruitment has been suggested by not only MTUC, but also LLRC and human rights groups such as the North-South Initiative.

Proponents say a G2G process would cut out middlemen — such as Malaysian recruitment agents, agents in the source country as well as sub agents employed in between the recruitment process — reducing opportunities for abuse of the system and migrant workers.

Human Resources Minister Datuk Seri M. Saravanan has come under pressure from various quarters including Malaysian lawmakers and human rights groups, after the announcement of a 25 agency quota made waves among the numerous recruitment agencies in Bangladesh.

On June 20, Saravanan announced that another 250 companies will be accredited by the Ministry of Human Resources, to work within a recruitment ecosystem with the selected 25 Bangladeshi agencies — which again met with dissent from various quarters.

Previously, on June 16, Saravanan said that **Dhaka and Putrajaya had jointly agreed** to a limit of 25 agencies to recruit Bangladeshi workers for Malaysia, adding that it was the prerogative of the source country to decide on how many agencies should be approved to recruit workers for foreign countries.

However, the following day, *The Business Post* reported Bangladesh’s Expatriate Welfare and Overseas Employment Minister Imran Ahmad as saying that neither he nor the republic’s prime minister Sheikh Hasina had approved the recruitment companies,

Additionally, there have been allegations that the selected 25 Bangladeshi agencies are part of a syndicate.

Yesterday, Saravanan was **quoted saying** Putrajaya's 25-agency cap of the Bangladeshi companies allowed to recruit workers to Malaysia is to improve its international standing on migrant issues, including human trafficking.

He explained that migration is a global and complex issue that must be managed properly, and that Malaysia is currently placed in an unfavourable position, with regards to the Annual Trafficking in Persons Report issued by the US State Department and must be dealt with delicately.