



To

His Excellency M. Kulasegaran
Minister of Human Resources
Ministry of Human Resources
Block D3 & D4, Complex D
62502, PUTRAJAYA
Malaysia

17 January 2019

Subject: Situation of migrant workers in Malaysia

Dear Minister Kulasegaran,

We, the undersigned representatives of business organisations, civil society organisations and trade unions, write you to express our concerns about the situation of migrant workers and refugees working in Malaysia and would like to offer our support in creating an environment that is conducive to business and respects human rights.

Our organisations represent a large number of international brands, retailers, suppliers and public bodies that source a significant share of products and services from Malaysia. As our members, they are committed to responsible business and open and sustainable trade.

Malaysia's openness to trade has been well received by the international community, attracting investors, buyers and economic migrants, all of whom have played their part in your economy's impressive growth. We very much value the impactful policies of your government to generate and preserve jobs for migrant workers in a variety of sectors, which have allowed migrants from neighbouring countries to reap the benefits of Malaysia's robust industries. But their labour should not come at the cost of their rights as workers and humans.

We have been closely observing recent developments related to the employment conditions of migrant workers in rubber gloves and condom factories exporting to Europe, the USA, Australia, Japan and across the world. We are concerned about allegations of severe violations of workers' and human rights, particularly against migrant workers, that may constitute forced labour or create the conditions that pose a high risk of modern slavery.

We are also concerned about the recent announcement made by Malaysia's Ministry of Human Resources to introduce salary deductions to retain migrant workers in their employment. Such action could generate risks of debt bondage.

As organisations committed to prevent, mitigate and remedy adverse human rights impacts in our supply chains, this situation poses severe risks for our members. It affects the reputation of Malaysia as a sourcing hub and might lead to uncertainty in the international business community.

We therefore support the recent decision of your government to conduct a full investigation and inquiry into the situation of workers, particularly in the rubber glove sector. We also welcome your appointment of an independent committee to study policies related to the overall management of migrant workers.

We endorse the efforts of Mr Santiago MP and the independent committee on management of migrant workers to conduct investigation and review policies. We stand ready to support and cooperate with your endeavours.

In the spirit of respect and partnership, we would like to recommend that you:

- a) Reconsider, as a matter of urgency, the current proposal to deduct 20% of migrant workers' earnings without workers' consent, which violates international labour standards.
- b) Allow for a meaningful dialogue. We would call for a high level of transparency on the investigation and its outcomes, notably, the report of the current investigation by Mr Santiago MP into the situation of migrant workers in the rubber glove sector and the independent committee's report into the management of migrant workers in Malaysia.
- c) Engage with institutional partners, leading trade unions, civil society, migrant worker organisations, academics and also through the existing Council for Anti-Trafficking in Persons and Anti-Smuggling of Migrants (MAPO) to offer meaningful, appropriate and sustainable solutions to the challenges migrant workers and refugees face in Malaysia.
- d) Host a multi-stakeholder roundtable to discuss the findings of the investigation into migrant workers' rights abuses in the rubber gloves industry and the findings of the independent committee and seek an agreement on a roadmap that would include allocation of responsibilities to all stakeholders to improve and remediate the situation.

In addition, we recognise that our own organisations will need to bear our share of responsibility for improving the situation of migrant workers and refugees in Malaysia, and we stand ready to play our part.

We look forward to intensifying our cooperation with your government and offering technical input and advice to the investigation process, to serve the common objective of sustainable economic relations and responsible production and supply chains. We are highly committed to continue contributing to Malaysia's path towards a successful future.

For your information, this letter will also be sent to Mr. Charles Santiago, Member of the Parliament of Malaysia for the Klang constituency.

We are looking forward to your kind reply.

Respectfully yours,

The signatories



amfori is the leading global business association for open and sustainable trade. We bring together over 2,300 retailers, importers, brands and national associations representing a combined turnover of more than 1.7 trillion euros. We support retailers, importers, brands and national associations to enhance human prosperity, use natural resources responsibly and drive open trade globally. We call this Trade with Purpose.



For workers' rights. For better business.

The **Ethical Trading Initiative (ETI)** is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Our vision is a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity.



IEH – Ethical Trading Initiative Norway is multi-stakeholder initiative, represented by NGOs, Trade Unions, Businesses and the Enterprise Federation of Norway. IEH is a resource centre and an advocate for ethical trade practices. Our objective is cooperation on trade which promotes human rights, workers' rights, development and environmental standards. IEH's aim is to strengthen its members' efforts to promote decent working and environmental conditions in their supply chains, and to strengthen support for ethical trade in general. We are a member organisation for companies, organisations and public enterprises



Founded in 1997, **Social Accountability International (SAI)** is a global non-governmental organization advancing human rights at work. SAI's vision is a world where workers, communities and businesses thrive together. With a presence in over 65 countries and 55 industries, SAI is a leader in policy and implementation – developing social standards and guidance, delivering training and capacity building, and convening partnerships to drive dialog and consensus-based solutions. At every step of the supply chain, SAI seeks to bridge the gap of understanding between supply chain actors. We believe that long term economic and social success required the collaboration of business, government and civil society and meaningful participation of an empowered and respected workforce.



Sedex (www.sedexglobal.com) is a global membership organisation dedicated to driving improvements in ethical and responsible business practices across global supply chains. Sedex tools and services are used by more than 50,000 members in 155 countries to support continuous improvement in their responsible sourcing programme. Sedex works across 35 industry sectors, including food, agriculture, clothing and apparel, packaging and chemicals. Sedex is also home to SMETA (Sedex Members Ethical Trade Audit), one of the most widely used social audit methodologies in the world.