

Should malaysia encourage the employment of foreign workers economics essay

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In this modern 21st century, foreign workers are all over the world and this phenomenon is faced by many developing countries, for example, Malaysia. The number of foreign workers employed in Malaysia is increasing gradually. A foreign worker can be defined as a person who is employed in a country other than one of which he or she is citizen (Haji Mohamed, SPR, & Yacob, 2012). A foreign worker is also defined as " person who is to be engaged, is engaged or has been engaged in a remunerated activity in a State of which he or she is not a national" by The United Nations Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (as cited in Haji Mohamed, SPR, & Yacob, 2012). Normally, foreign workers can be categorized into skilled or unskilled workers and legal or illegal workers. For legal foreign workers are usually recruited by companies, recruitment agencies or personal employers to supply the workforce requirement of a host country for limited terms (Haji Mohamed, SPR, & Yacob, 2012). Also, they are employed to contribute the contractual basis skills that a host country seeks (Haji Mohamed, SPR, & Yacob, 2012). According to Economic report 2010/2011 by Financial Ministry, about 1. 8 million of foreign workers were registered to work in Malaysia legally (Haji Mohamed, SPR, & Yacob, 2012). About 38% of them were employed in manufacturing sectors, 16% were hired in construction sectors and 14. 6% were employed in plantation sectors (Haji Mohamed, SPR, & Yacob, 2012). Among of these numbers of foreign workers, about 50. 9% of them came from our neighboring country which is Indonesia (Haji Mohamed, SPR, & Yacob, 2012). The second highest was contributed by Bangladesh workers, accounting for 17% of the total number foreign workers in Malaysia (Haji

Mohamed, SPR, & Yacob, 2012). Because of the high wages offered by Malaysia, it leads to the increase number of foreign workers in Malaysia as most of the foreign workers wish to improve the qualities of life of their families in own countries. Employment of foreign workers should be encouraged strongly in Malaysia as these workers actually contribute a lot advantages to our country. Employment of foreign workers in Malaysia helps to reduce the shortage of labors in certain fields of jobs, accelerate the economy of our country and enhance national productivity and competitiveness. First of all, foreign workers employed help to reduce the labors shortage problem in certain sectors such as manufacturing, construction and plantation sectors (Haji Mohamed, SPR, & Yacob, 2012). Although the rapid growth of economy in Malaysia had created many jobs for local labors especially in manufacturing, construction and agricultural sectors, the phenomenon of labors shortage was occurred because of the unwilling of local workers to work in these industry (Rahman, Wang, Wood, & Low, 2012). This phenomenon became more critical after, as a result, employers of companies made a decision to recruit foreign workers who are more devoted to their jobs to overcome the labors shortage problem (Haji Mohamed, SPR, & Yacob, 2012). Furthermore, the issue of lacking workers is caused by the bad attitude of local labors as they become very selective in their choice of works (Rahman, Wang, Wood, & Low, 2012). As a result of the labors shortage problem is most commonly happened in manufacturing and construction sectors, local workers refuse to accept the difficult tasks, and also the dirty and dangerous workplaces (Haji Mohamed, SPR, & Yacob, 2012). Thus, the bias and preconception of local workers indirectly create the

opportunities for foreign workers who are less selective of jobs to be employed by local employers to solve the labor shortage problem. Besides, the rapid development of industrialization and manufacturing activities also leads to the issue of labor shortage at all levels ("Foreign Workers And The Malaysia Economy", 2004/2005). In order to earn a large amount of profits, the employers of local industrial and manufacturing companies feel more delighted to employ foreign workers to supplement their workforce (Haji Mohamed, SPR, & Yacob, 2012). This is because foreign workers urge towards the jobs and they are easily hired with low wages (Haji Mohamed, SPR, & Yacob, 2012). Although the wages offered by local employers is quite lower than the salaries of local laborers, the foreign workers feel satisfied as the wages they receive in their own countries is less than the wages offered by local companies. The willingness of foreign workers who always accept additional works without murmuring and grumbling also attracts the local employers to hire them due to supply the workforce requirement in industry. Moreover, the employment of foreign workers will also facilitate the economic growth rate of Malaysia. In order to ensure that the economic development smoothly and more stable, a great number of proficient labor and operation mechanization are acted as an important requirement ("Foreign Workers And The Malaysia Economy", 2004/2005). The country's economy development is affected by all major and minor fields of job. If Malaysia government does not encourage the employment of foreign worker, most probably some toilsome and lower income field of jobs, such as agricultural sector, construction sector and manufacturing sector will undergo poverty. Hence, it may disrupt the economic growth process. In

addition, the cheaper payment for the foreigners compared to the native workers will connive the cooperation to economize their operate expenses (Haji Mohamed, SPR, & Yacob, 2012 ; Noor, Isa, Said, & Jalil, 2011). In the other words, the profit earn by the company will be double. Most of the foreign workers are recruited by the employers via the outsourcing company with cheaper prices. (Haji Mohamed, SPR, & Yacob, 2012). So, the cooperation will gain the considerable revenue by hiring the foreign workers. Normally, the requirement claimed by the foreign workers are easier to fulfill compared to the local workers. Due to their detrimental factor and condition, they can only get a very limited salary and welfare from the employers (Haji Mohamed, SPR, & Yacob, 2012). Thus, the employer can gain adequate turnover rate in a short period of time. In short, the devotion of the foreign workers to the enhancement of our country's economy is a fact that cannot be neglected. Besides, the employment of foreign workers will also enhance the national productivity and competitiveness (Haji Mohamed, SPR, & Yacob, 2012; Noor, Isa, Said, & Jalil, 2011). In order to survive at the workplace, the immigrants will try their best to improve their competitiveness. They will be dedicated to their post when they are given extra task to do. They may put more effort on completing their task no matter how much the quantity is and how short the time given. As the result, the overall productivity among the immigrants will be increased (Kassim, 2005). Furthermore, the extension of the tourism industry may also lead to the enhancement of the communication and transportation technology. The increase in the number of foreign tourist causes the government to improve the transportation technology by increasing the number of public transport, bus station and

airport in the country. In addition, the economic, political and educational relations among the countries may strengthen the transnational relationship between them (Kassim, 2005). The foreigners are highly welcomed by the government because of their demanding abilities. Since they are tough enough to work in any situation, they can be employed easily by every company, that's why they are considered as the wealth of the country. Their wisdom, talent and sophisticate may elevate the local workers and improve the labour productivity of Malaysia. The increases in the number of foreign worker lead to more strong competition for jobs which threaten to local workers (Haji Mohamed, SPR, & Yacob, 2012). The high competitiveness of the foreigners may cause the local workers to work harder in order to survive at their workplace. Hence, the labour productivity of Malaysia can be improved effectively. Nowadays, the proliferation of foreign workers has get intention from public and become current issues. Nevertheless, some of the discuss rebel on the employment of foreign workers. There is a research on employment of foreigners in Malaysia has been increasing and all over the country has over rely on foreign workers (Haji Mohamed, SPR, & Yacob, 2012). There is an increment of the unemployment percentage of local worker. Hence, an organization named MTUC publishes their objectives to protect Malaysia's worker. One of the objectives of MTUC is to protect Malaysian unemployment in which standardization and coordination of foreign workers recruitment and the supply of local employability in Malaysia are vital (Haji Mohamed, SPR, & Yacob, 2012). On the other hand, foreign workers may induce some social ills. For example, illegal workers may initiate criminal activities and threat

civilian's life. Moreover, existence of illegal workers may lead more problems because they were urged to seek job for their life (Kassim, 2005). In such a way, the population of foreigners will increase, for hard to control migration of them and might cause the immigration of citizen because of lacking of job since the dependency on the foreign workers does not decrease (Kassim, 2005). According to the inclination of the construction sector, there is a necessary to employ more foreign workers indeed to enrich the economic improvement and amend the labor work organization. Besides, a country should encourage more expatriates because they are professionally with high education and have a good skilled in work (" Foreign Workers And The Malaysia Economy", 2004/2005). They play a vital role in enriching a development of country. Most of the local workers would choose to emigrate to receive a high salary scheme whereby the foreign workers participate in the construction sector in order to reduce the construction costs (Rahman, Wang, Wood, & Low, 2012). Moreover, the crime rate of a country can be reduced by ensuring the information and fingerprint database of all foreign workers that stored in the Immigrant Database (Haji Mohamed, SPR, & Yacob, 2012). As such, a legal mechanism has been fixed in order to filter illegal foreign workers and avoid them to enter a country easily. Nation should abolish illegal migration, enhance the organize structure of immigration and a long-term policy of employment to reduce the negative impact (Rahman, Wang, Wood, & Low, 2012). Hence, according to Kassim, we should follow the instruction of an agreement in which legal employment of foreign workers started in 1981 and was followed by the signing of the 1984 Medan Agreement with the countries were the primary

sources of labor (as cited in Rahman, Wang, Wood, & Low, 2012). Lastly, foreign workers bring in a lot of mileage for the countries as it play an important role to make our country become flourishing. It can be concluded that, there are more than 1. 8 million foreign workers in Malaysia engaging in different sectors and industries. Majority of the registered foreign workers in Malaysia comes from Indonesian that is around 50. 9% of the total foreign workers and other neighboring countries due to the level of poverty in their respectful countries (Haji Mohamed, SPR, & Yacob, 2012) Their effort in reduce labors shortage problem, accelerate economy development and enhance national productivity and competitiveness are undeniable. Fast developing of Malaysia makes many foreign workers to flock into the nation for the purpose of survival and to be well empowered financially. This also makes Malaysia grow into a more satisfactory nation among the world. As a long term measure to ensure sustainable growth as well as minimize socio-economic implications, a medium to longer- term policy on foreign workers will be devised with the view to reducing the over-dependence on foreign workers while attracting the more skilled and trained professionals (" Foreign Workers And The Malaysia Economy", 2004/2005). So, encourage more skilled and experienced foreign workers especially the expert or professional groups into Malaysia believed will foster the efforts of Malaysian government's goals of being industrialized country by year 2020.