



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

Topic: Situation of migrant workers in Malaysia

Paris (France), January 18th 2019

Dear Minister Kulasegaran,

The Initiative for Compliance and Sustainability (ICS) is a multi-sector initiative of social and environmental audits in the textile, clothing, bazar, leisure, furniture, fixtures, equipment, appliances and food sectors with the aim of improving working conditions along global supply chains. ICS members join efforts by rolling out a shared audit framework in their supplying production plants and by exchanging information on their common factories within the ICS database. ICS enables its member companies to collaborate with common tools, to mutualize audits, contributing to the reduction of the 'audit fatigue' and to share knowledge and best practices. Around 4 500 ICS audits are conducted every year in more than 60 countries.

We 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 human development.

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 well as international organisations that are committed to responsible business and ethical trade.

The lasting economic success of Malaysia and the high level of mobility of the workforce in ASEAN countries have led to a strong and continuous influx of migrant workers to the Malaysian labour market. According to figures by your Government, the country is hosting more than 4.6 million undocumented migrant workers which is an estimated 27 per cent of the total Malaysian workforce. We very much value the impactful policies by your Government to generate and preserve attractive jobs for migrant workers in a variety of sectors. Both the countries of origin and the hosting country benefit greatly from this situation and the related economic growth and social development. Yet, we are also fully aware that the process of welcoming and integrating migrant workers is a considerable and complex challenge.



Given our strong interest in Malaysia, we have been closely observing recent developments related to conditions of migrant workers in rubber glove and condom factories exporting to Europe, the USA, Australia, Japan and across the world. We are extremely concerned about allegations that seem to show severe violations of workers' and human rights, particularly against migrant workers in Malaysia, that may constitute forced labour or create the conditions for a high risk of modern slavery occurring.

As organisations with legal and moral obligations to prevent, mitigate and remedy adverse human rights impact in our supply chains, this situation poses severe risks for our members.

We welcome the recent decision of your government to investigate management of migrant workers in the rubber glove sector. We also 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 commend the Minister for Human Resources for appointing Mr Charles Santiago MP to carry out a comprehensive social compliance audit on rubber glove makers in the country. In addition, we welcome your government's appointment of an independent committee to study policies related to the overall management of migrant workers in Malaysia.

We would like to offer both Mr Santiago MP and the independent committee on management of migrant workers our full support and cooperation in conducting investigations and reviewing policies and look forward to reading reports and recommendations for improvement.

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

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

- Reconsider, as a matter of urgency, the current proposal to deduct 20% of migrant workers' earnings without worker's consent, as it violates international labour standards.
- Allow for a meaningful dialogue and, we would call for a high level for 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 committees report into the management of migrant workers in Malaysia.
- Engage with institutional partners, like ASEAN CSR Network, leading trade unions, civil society and 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.



- Host a multi-stakeholder roundtable to discuss the findings of the investigation into migrant worker rights abuses in the rubber gloves industry and the findings of the independent committee on migrant workers management and seek an agreement for a road map that would include allocation of responsibilities to all stakeholders to improve and remediate the situation.

We look forward to intensifying our cooperation with your Government and to offer technical input and advice to the investigation process, to serve the common objective of intensified sustainable economic relations and responsible production and supply chains. We are highly committed to continue contributing to the 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,

Sincerely,
Carole Hommey
ICS Coordinator