

DPM: Govt plans to increase foreign workers levy

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PUTRAJAYA: The government plans to increase the levy on foreign workers according to the job sectors from early next year in a bid to reduce the country's dependence on foreign labour.

Deputy Prime Minister Tan Sri Muhyiddin Yassin said the levy would defer according to the foreign workers' skills level and the number of workers in a sector.

"We will study it (levy) according to the job sectors such as manufacturing, construction, services, plantation and agriculture.

"This means the levy will defer according to the job sectors and the more workers there are in a particular sector, the higher the levy may be.

"Another factor is qualification. If they are skilled workers, the levy may not be high but if they are unskilled or just ordinary workers, then the employers may have to pay a higher levy," he said.

Muhyiddin said this after chairing the third meeting of the Cabinet Committee on Foreign and Illegal Workers, here, Thursday.

Also present were Home Minister Datuk Seri Hishammuddin Hussein and Human Resources Minister Datuk Dr S. Subramaniam.

Muhyiddin said Hishammuddin was given two weeks to study the proposed increase of levy on foreign workers, which was among 50 proposals submitted by the Laboratory on Managing Foreign Workers.

"If the levy is to be increased, it can only be enforced by early 2011 as we need a bit more time to study the matter."

Muhyiddin said the government also planned to impose a bond on employers to make them more responsible for their workers.

He said the bond payment had been implemented in a number of countries like Singapore to monitor the entry of foreign visitors and workers into these countries.

"The bond is a guarantee for employers to be responsible when their workers run away, stop work and so forth. We have not decided on this but I have asked that this be studied. -- Bernama