



## Different Streams, Different Needs and Different Impacts: Managing International Labor Migration in ASEAN

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This Policy Brief originally appeared in the website of the PIDS-IDRC-sponsored project titled "Different Streams, Different Needs and Different Impacts: Managing International Labor Migration in ASEAN". It is being reprinted under the PIDS Policy Notes Series in view of the valuable perspectives it provides on the policy and institutional responses of both sending and receiving countries to labor migration in the ASEAN region. Ultimately, there may be insights gained for the Philippines in its management of international labor migration. The usual disclaimer applies.

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### ABOUT THE PROJECT

The current economic crisis highlights the risks migrant workers face that need to be carefully considered in improving the management of migration flows. Balancing the costs and benefits is a continuing challenge for both sending and receiving countries. ASEAN countries experience a wide range of problems in managing labor migration, requiring empirically based research to guide public policy choices.

The project seeks to build knowledge and understanding of existing policy and institutional arrangements for managing labor migration and its development impacts in order to inform policy discussions, regulatory design and implementation decisions in these areas.

The project will provide assistance to the Philippine Institute for Development Studies (PIDS), and its research partners in Cambodia (Cambodia Development Research Institute, CDRI), Indonesia (SMERU Research Institute), Malaysia (Institute of Malaysian and International Studies, Universiti Kebangsaan Malaysia, IKMAS), Singapore (Singapore Institute of International Affairs, SIIA), and Thailand (Thailand Development Research Institute, TDRI), to undertake joint research on issues relating to the management and regulation of international migration in ASEAN. It aims to build knowledge and strengthen research to policy linkages to inform policy and institutional arrangements that manage international migration.

## Policy on Irregular Migrants in Malaysia: An Analysis of its Implementation and Effectiveness

Cross-national labor inflow to Malaysia became prominent in the 1970s. Since then, the number of foreigners among the population has increased steadily. They largely consist of the low-skilled economic migrants and refugees, some of whom are irregular migrants who have entered the country without proper documentation. In the early 1980s, the number of irregular migrants was officially estimated at around half a million and their growing number and increased visibility began to be viewed as a threat to the economy, internal political stability and border security. Subsequently, several measures were taken by the Malaysian authorities to stem their inflow and expansion. However, their number kept on increasing. In the last Malaysian population census in 2010, non-citizens account for over 8.2 percent of the country's population of 28.3 million. In addition, there are also a large number of irregular migrants officially estimated between 500,000 and 1.8

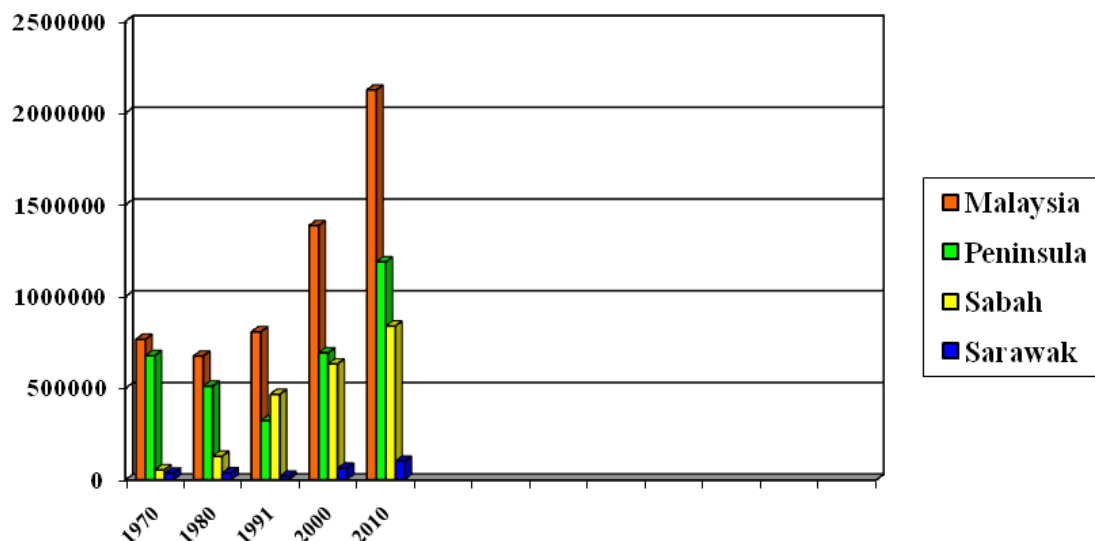
million. The increase in the number of irregular migrants is of great concern to the authorities as it aggravates the problems associated with their presence. It is also a clear signal that policy measures put in place in the last three decades to stem their inflow and expansion have failed and so there is an urgent need to review and amend these measures.

### Foreign Population and Irregular Migrants in Malaysia Since 1970s

Based on the Malaysian national census carried out every ten years, there has been a steady increase in the number of foreign population since 1970. From only around 764,400 foreign nationals in Malaysia in 1970 accounting for 7 percent of the population, their number has risen in the 1990s and 2000s to over 2.12 million or 7.3 percent of the population in 2010 (Figure 1). Most of the increase is found in Sabah and the Peninsula.



Figure 1: Increase in Foreign Population in Sabah, Sarawak, Peninsula Malaysia and Malaysia (1970–2010)



A policy on foreign workers was formulated in the early 1980s with two inter-related objectives: first, to encourage legal recruitment of foreign workers; and second, to stem clandestine entry and expansion of irregular migrants. Several strategies were formulated in the 1980s to achieve these objectives.

The implementation of these policy measures led to the rise in the number of legally recruited foreign workers, with the number growing from 483,784 in 1992 to 897,705 in 1999. Over the next two decades, their number rose and fell in response to economic conditions in Malaysia, reaching over 1.8 million in 2005 and over 2 million in 2007 before it declined to around 1.9 million in 2009.

### Policy on Irregular Migrants: Has It Worked?

There is evidence to show that policy measures implemented so far have been able to contain the number of irregular migrants from further expansion. For instance, in the seventies, all foreign workers in Malaysia were irregular migrants. With the introduction of the foreign worker

policy, however, the ratio of legal to irregular migrants has declined over the years. By the 1980s, the ratio was 1:5 and by 2010, it was estimated at 1:1, resulting in the estimate of 1.8 million irregular migrants in 2010.

The implementation of policy measures has also led to the identification, arrest and deportation of irregular migrants. As of July 2011, close to four million irregular migrants have been identified and of these, at least over one million have been deported under the Ops Nyah 2 exercises, thus reducing their number in Malaysia (Figure 2).

Meanwhile, the inability of the policy measures to reduce the number of irregular workers is due to two main factors. First, there were various obstacles in their implementation caused by administrative and external challenges. And second, there were inherent weaknesses in the policy on foreign workers itself.

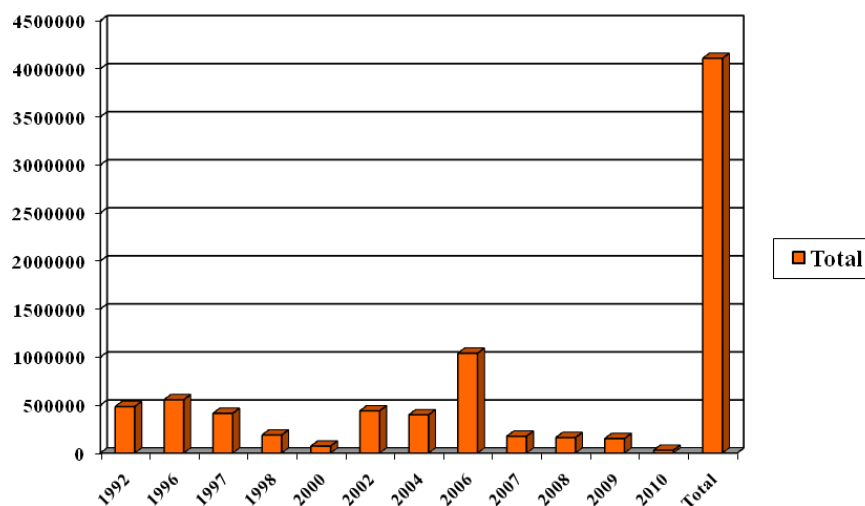
The factors that impede the implementation of policy measures against irregular migrants include the frequent changes in policy measures, inadequate facilities and enforcement

staff, corruption among related officials, and poor enforcement of immigration and labour laws as reflected, in part, in the apparent lack of punitive actions against errant employers. Other factors are the high cost of legal recruitment and the long bureaucratic procedures. In addition, there are also external challenges such as conflicting inter-ministerial policy objectives that compromised the function of the Immigration Department.

### Policy Proposals

For policy measures to be taken seriously, they must have a certain degree of durability. It is, therefore, necessary for policy measures to be thought out carefully before they are announced and implemented. This can only be done by involving all stakeholders such as representatives of employers' unions, trade union leaders, and researchers in policy decisions which, at present, are solely being done by government officials. The abuse of cross-national kin and ethnic networks in harboring and abetting the employment of irregular migrants is impossible to stop. It is perhaps better to utilize this network in legal recruitment of foreign

Figure 2. Identified Irregular Migrants in Malaysia (1992–2010)



Source: Azizah Kassim, 2008, Malaysian Police Headquarters in Bukit Aman, Kuala Lumpur, the Special Federal Task Force Sabah (2011), Ministry of Human Resources (2011) & Department of Immigration, Putrajaya.

Note: Figure for 2004 is from October 2004 – February 2005.

workers by sanctioning such informal recruitment as an alternative to the present formal recruitment procedures which are too costly. Full enforcement of immigration and other laws must also be practised, especially against errant employers. As long as these employers remain unpunished, the demand for irregular migrant workers will persist and more will be lured to come.

As for supra-local challenges such as the lack of cooperation from some foreign missions in

the deportation processes and the occasional pressure imposed by international organizations and agencies which often interfere with the implementation of the various policy measures, there is a need to sort them out with the respective missions and agencies through diplomatic channels.

Finally, to further protect the interest of Malaysia's citizens and to accommodate the continued presence of foreign workers and expatriates, Malaysia needs to create

a new category of residents among its population, comprising the mobile economically active foreigners with specific non-political rights and obligations. #



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This *Policy Brief* is culled from studies under the PIDS-IDRC project titled "Different Streams, Different Needs and Different Impacts: Managing International Labor Migration in ASEAN." It highlights specific issues on the management of migration flows in the ASEAN region and draws out their implications for policy.

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