



MALAYSIA CHANGES THE MINIMUM STANDARDS FOR WORKER HOUSING AND AMENITIES

Malaysia hosts more than two million migrant workers in sectors including apparel, electronics, construction, and agriculture. Recently the Government of Malaysia amended the relevant laws to require improvements in living conditions for migrant workers. The amendments to the Workers Minimum Standards of Housing and Amenities Act (Act 446) came into force on September 1, 2020. The changes apply to employers in any sector employing migrant workers, including manufacturing and agriculture.

Some key requirements in the amended legislation include:

- The amended regulation applies to Peninsular Malaysia and the Federal Territory of Labuan. The Government of Sabah and the Government of Sarawak will enact separate regulations. (Section 1 / Subsection 2)
- All buildings should be in compliance with the building and construction requirements under other relevant written laws, in addition to requirements under this act. (Section 24h)
- If there are at least five dependent children under four years of age among the workers at the worksite, then the employer must provide nursery facilities. The original requirement was 10 children under four years of age. (Section 10)
- Employers should inform the Director General if an employee has occupied any accommodation provided by him or by a centralized accommodation provider, within 30 days from the date of occupation. (Section 24e)
- When an employer and employee mutually agree on the monetary terms for accommodation, employers may not collect a lump sum from the employee, but rather must use wage deduction on a regular basis to accept payment. It is prohibited to charge the worker the total amount of the accommodation cost as a lump sum. (Section 24g)
- An employer or a centralized accommodation provider must respect the following health and safety standards: (Section 24j)
 - + Provide separate accommodation to employees of the opposite gender;
 - + Take necessary preventive measures to ensure employees' safety and well-being;
 - + Take fire safety measures in accordance with the relevant written laws;
 - + Ensure that the electrical wiring systems comply with safety requirements in accordance with the relevant written laws;

- + Ensure that the employees receive the necessary medical assistance; and
- + Take preventive measures to contain the spread of infectious diseases as ordered by the Medical Officer of Health, including immunization against any infectious disease.
- The employer must appoint a person in charge of an accommodation, who will be responsible for the employees' welfare and maintaining order at the accommodation. (Section 24l)
- An employee should be given at least four weeks' notice to vacate the accommodation in case of termination of employment contract. (Section 24m)
- Providing accommodation to employees without a Certificate for Accommodation is an offense, with an employer who does so to be punished with a maximum RM50,000 fine, while a centralized accommodation provider who commits the offense faces a maximum RM50,000 fine or maximum one-year jail term or both. (Section 24d)

The Fair Labor Association urges its affiliates to ensure that suppliers and plantations / farmers are following the amended regulations. These regulations provide more protection for the workers through detailed expectations of employers and centralized accommodation providers in Malaysia.

For more information about amended regulations and new expectations, visit the following:

- **Complete Text with All Revisions on Act 446**
http://jtksm.mohr.gov.my/images/kluster-warnawarni/akta-borang/akta-peraturan/akta%20standard%20minimum%20perumahan%20kemudahan%20pekerja%20pindaan%202019_bi.pdf
- **Old Version of Act 446**
https://www.ilo.org/dyn/natlex/natlex4.detail?p_lang=&p_isn=87154&p_classification=15.05

About the Fair Labor Association

The FLA is a multi-stakeholder organization combining the efforts of businesses, universities, and civil-society organizations to improve conditions for workers around the world. Occasionally, the FLA publishes briefs on current issues in the global supply chain. We intend for these briefs to provide an overview of the various perspectives on a given issue. At all times, the FLA expects its business affiliates to comply with all legal requirements, as well as the provisions of its Workplace Code of Conduct.