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THE MINISTRY OF HUMAN RESOURCES

MEDIA STATEMENT

EMPLOYEE ACCOMMODATION COMPLIANCE INITIATIVES

1. The Ministry of Human Resources (KSM) has taken several initiatives in relation to employee accommodation compliance throughout the country to comprehensively and effectively control the transmission of the COVID-19 pandemic.
2. The first initiative is the **drafting of the Emergency Ordinance (Minimum Standards on Housing, Accommodation and Employment Facilities) (Amendment) 2021** gazetted on 17 February 2021.
3. The objectives of this Emergency Ordinance include:
 - a. expanding the application of Act 446 to Sabah and Sarawak;
 - b. authorizing the Director General of JTKSM to issue an order to housing owners to replace, alter or repair accommodations that do not comply with Act 446, and to **IMMEDIATELY** move employees from accommodation that is overcrowded and unsuitable for human living to temporary accommodation as determined by the Department.

In such an event, the housing owner will bear all transportation costs from the original accommodation to the temporary accommodation, transportation between work and the temporary accommodation and the cost of renting the temporary accommodation. Housing owners who fail to comply with this order can be fined RM200,000 or face imprisonment up to 3 years or both.
 - c. Authorizing the Minister of Human Resources to delegate powers under Act 446 to officers from other agencies.
4. The second initiative is through the drafting of two new Rules under Act 446 namely:
 - a. **Regulations for Minimum Standards on Housing, Accommodation And Employee Facilities (Employees Who Require Provision of Accommodation) 2021** which requires employers to provide

accommodation for all employed foreign workers, except for domestic helpers; and

- b. Regulations for Minimum Standards on Housing, Accommodation And Employee Facilities (Compounding of Offences) 2021** which allows all offenses under Act 446 to be compounded.
5. KSM has formed the *National Task Force on Employee Accommodation Compliance* comprising 10 Ministries as well as other agencies based on needs. Numbers on the enforcement team is also enhanced through officers from Departments and Agencies under the Ministry of Human Resources such as the Department of Occupational Safety & Health (DOSH), the Department of Industrial Relations (JPP), the Department of Trade Union Affairs (JHEKS) and the Social Security Organization (SOCSSO).
6. The Ministry of Human Resources also works with external Departments and Agencies including the Public Service Department (JPA), Ministry of Home Affairs (KDN), Malaysian Construction Industry Development Board (CIDB), Ministry of Works (KKR), Ministry of Agriculture and Food Industry and also the Ministry of Domestic Trade and Consumer Affairs (KPDNHEP).
7. KSM also intends to delegate powers under Act 446 to officers involved in the taskforce from 6 Ministries namely agencies under KSM itself, KKR, KPDNHEP and KDN as well as the Ministry of Housing and Local Government (KPKT) and the Ministry of International Trade & Industry (MITI).
8. The enforcement prioritizes 75,000 employers who employ foreign employees with a focus on 3 states with the highest number of foreign workers which are Selangor, Johor and the Federal Territory of Kuala Lumpur in addition to the 3 sectors with the highest number of positive cases namely Manufacturing, Construction and Services.
9. KSM through JTK has also collaborated with the Ministry of Tourism, Malaysian Arts and Culture (MOTAC) in preparing a list of temporary accommodation for employees transferred from the original accommodation which do not comply with the standards of Act 446. This temporary accommodation includes centralized accommodation (*centralized labor quarters* - CLQ) certified by JTK as well as hotels registered with MOTAC. This temporary accommodation package will involve a rental cost of RM200 and utility costs of RM20 per month for each employee which will be borne by the housing owner.
10. Coordination is also carried out with the Land Public Transport Agency (APAD) to get a list of bus operators who will provide transportation services for workers transferred from their original placement to the temporary accommodation as well as for the transportation of workers back and forth from the workplace. The cost of transportation is estimated at RM50 per month for each worker and is borne by the housing owner.

11. Industry engagement sessions will be continuously conducted by all Ministries and agencies involved especially through the 6 Legal Compliance and Labor Policy Task Force Committees established by JTK involving associations from the following industries:
 - a. Rubber-Based Manufacturing;
 - b. Furniture Manufacturing;
 - c. Electrical and Electronic Goods Manufacturing;
 - d. Farming;
 - e. Construction; and
 - f. Restaurant & Cleaning Services.
12. KSM's long-term plan in ensuring employee accommodation compliance is by encouraging the construction of centralized accommodation that meets the criteria and requirements of Act 446 as well as obtaining a Certificate of Accommodation from JTK. Local Authorities (PBT) will work together to expedite the relevant approval process related to the construction of centralized accommodation including giving flexibility to the development of centralized accommodation in residential areas.
13. The Government has also decided to fully bear the cost of COVID-19 vaccine immunization to non-citizens including foreigner employees holding temporary work visit passes. This is important to ensure that the risk of COVID-19 transmission among foreign workers is controlled as the foreign worker cluster is one of the biggest contributing factor which needs to be curbed in order to break the spread of this pandemic.
14. Any employer who fails to ensure that their foreign worker or any employee living in employer-provided accommodation are COVID-19 vaccinated will have committed an offense under the Minimum Standards Act for Employee Housing, Accommodation and Facilities 1990 [Act 446].

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PUTRAJAYA

FEBRUARY 18, 2021

ATTACHMENT 1

The list of 10 Ministries and agencies is:

- a. Ministry of Human Resources
- b. Ministry of Home Affairs
- c. Ministry of International Trade and Industry (MITI)
- d. Ministry of Works
- e. Ministry of Agriculture and Food Industries
- f. Ministry of Domestic Trade and Consumer Affairs (KPDNHEP)
- g. Ministry of Housing and Local Government (KPKT)
- h. Ministry of Enterprise, Plantation & Commodities
- i. Ministry of Tourism, Arts & Culture
- j. Ministry of Communications and Multimedia (KKMM)

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