

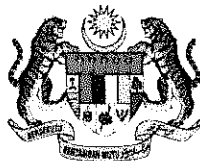


Ministry of Plantation Industries and Commodities



# **Preliminary Survey on the Labour Situation in Malaysian Oil Palm Plantations**

Final Report



**MENTERI PERUSAHAAN PERLADANGAN DAN KOMODITI MALAYSIA**  
*(Minister of Plantation Industries and Commodities Malaysia)*

KPPK 19(08)74/1 klt. 7 ( 6 )  
 27<sup>th</sup> November 2015

**H.E. THOMAS E. PEREZ**

Secretary of Labor  
 U.S. Department of Labor  
 Frances Perkins Building  
 200 Constitution Ave  
 NW, Washington DC 20210

**UNITED STATES OF AMERICA**

*Your Excellency,*

RECEIVED  
 08 DEC 19 AM 7:45  
 EXECUTIVE SECRETARIAT  
 DEPARTMENT OF LABOR  
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 NW WASHINGTON DC 20210

**REPORT OF THE PRELIMINARY SURVEY ON THE LABOUR SITUATION  
 IN MALAYSIAN OIL PALM PLANTATIONS**

As Your Excellency is aware, since 2009, the United States Department of Labor (US DOL) has listed the Malaysian oil palm industry in The Department of Labor's List of Goods Produced by Child Labor or Forced Labor as one of the industries that uses forced labour. In the latest list dated 1 December 2014, US DOL has also included Malaysian oil palm industry in the list of industries that uses child labour.

2. In an effort to dispel this allegation, Malaysia has submitted 3 reports to US DOL dated 19 August 2011, 3 February 2012 and 26 December 2012. Despite these efforts, Malaysia is still listed in the subsequent reports. Hence, the Ministry of Plantation Industries and Commodities (MPIC) has undertaken a Preliminary Survey on the Labour Situation in Malaysian Oil Palm Plantations in 2014. The study was conducted based on the International Labour Organisation (ILO) Guidelines (Hard to See, Harder to Count) and included workers, employers and labour contractors. The survey was carried out in 68 oil palm plantations and smallholdings in Selangor, Perak, Johor, Pahang, Sabah and Sarawak and covered 1,632 workers.

3. Findings of the preliminary study showed that:
  - i. Cases of employers withholding passport of foreign workers were minimal i.e. 0.4% of the total respondents covered;
  - ii. No systematic condition of forced labour in the Malaysian oil palm plantations and smallholdings;
  - iii. In the case of Sabah, the study showed children of foreign workers accompanied their parents to the work area to support their parents and increase the family income by assisting in simple tasks such as loose fruit collection. However, these were only done after school hours, weekends and holidays; and
  - iv. There is an active labour market in the oil palm plantations and foreign workers can find alternative work.

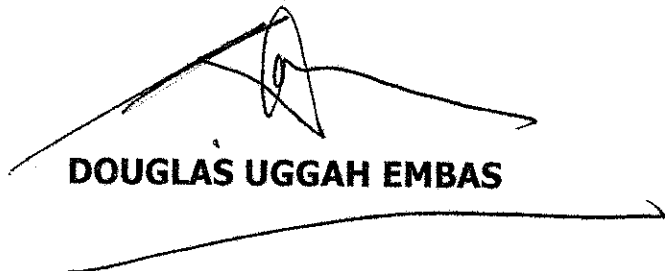
4. Malaysia has taken many initiatives to improve workers' working conditions and welfare. Apart from that, the oil palm industry is one of the most highly regulated industries in Malaysia. Currently, the oil palm industry subscribes to more than 60 laws and regulations which include criteria on labour practices. The oil palm industry recognises the importance of workers and has taken great efforts to ensure the welfare of the workers is taken care of. Furthermore, in support of sustainable development of the oil palm industry, Malaysia has been implementing the Malaysian Sustainable Palm Oil (MSPO) certification scheme beginning January 2015. Under MSPO, the criteria for certification include compliance to labour laws and regulations, health, safety and employment conditions. Besides MSPO, the Malaysian Palm Oil Board (Licensing) Regulations 2005 includes a provision to suspend or cancel license of oil palm plantation's owners that fails to comply with any Malaysian law and regulations.

5. In this context, Malaysia would like to emphasise that the labour situation in the Malaysian oil palm plantation will be continuously monitored and the Government will continue to undertake measures to project the positive image of the industry. I attach herewith a copy of the Report of the Preliminary Survey on the Labour Situation in Malaysian Oil Palm Plantations for your information and reiterates that there is no systematic condition of

forced labour in the Malaysian oil palm plantations and smallholdings, and as such the Government of Malaysia seek the cooperation of your good office to consider the removal of the Malaysian oil palm industry from the The Department of Labor's List of Goods Produced by Child Labor or Forced Labor.

Thank you.

Yours sincerely,



**DOUGLAS UGGAH EMBAS**

Cc:

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