

Malaysia: Stop outsourcing contract worker hiring to private firms, govt told

Monday 19 August 2024, by [CHEE Sarah](#), [CHUA Samuel](#) (Date first published: 8 August 2024).

JPKK project consultant Sivarajan Arumugam claims the government is going against its own laws by 'disguising' permanent positions as fixed-term contract roles.

KUALA LUMPUR: The government must stop the practice of outsourcing to third parties the hiring of contract workers in order to safeguard the rights afforded them under the law, says the Government Contract Workers Network (JPKK).

JPKK project consultant Sivarajan Arumugam claimed that the government was going against its own laws by *disguising* permanent positions as fixed-term contract roles.

"This is what we call in industrial relations terminology 'disguising permanent work as fixed-term contracts', which is wrong. Originally, they were permanent workers under direct government employment.

However, the government as the principal employer has outsourced cleaning and security services in schools to education ministry-appointed contractors, despite what the Employment Act 1955 says, he said at the launch of JPKK's latest report today on the plight of contract workers, particularly cleaners, gardeners and security guards.

Sivarajan said Section 11 of the act stipulates that a contract of service is valid only for a specified period of time or for the performance of a specified work.

He said the practice of employing cleaners and security guards at schools through fixed-term contracts by private companies is clearly wrong, as the nature of these jobs is permanent.

Sivarajan also said contractors are replaced every three years, therefore the contract workers *inherit* new employers in the same period, rendering it impossible to effectively unionise.

So the whole seniority of work experience all just goes down the drain. This would prevent the workers from enjoying the benefits of permanent employment, including yearly increments, bonuses and allowances, he said.

Based on the report, which studied the accounts of 453 contract workers from 85 schools around Peninsular Malaysia, Sivarajan said 52% of the workers were contracted for only three years and faced uncertainty of contract renewal.

He said 11.9% of them had wages under the minimum wage and 97% did not receive annual increments or bonuses.

Cleaners and security guards at schools and hospitals were part of the civil service until 1997, when their job functions were outsourced to the private sector.

There have been calls for contract workers to be reabsorbed into the civil service amid mounting complaints of the non-payment of minimum wages and labour-related abuses.

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