THE IMPACTS OF FOREIGN WORKERS TO MALAYSIAN TOURISM SECTOR

[1]BADARUDDIN MOHAMED, [2]SULISA MOHD PAISAR, [3]FARAH HANIN MOHD NAIN

[1]School of Housing, Building and Planning, Universiti Sains Malaysia
[2,3]Sustainable Tourism Research Cluster, Universiti Sains Malaysia.
E-mail: [1]profbadar@gmail.com, [2]sulisamp02@gmail.com, [3]farah.hanin@yahoo.com

Abstract— The popularity of Malaysia as an important tourism destination in Asia, has not only attracted many foreign tourists, but also induced the arrivals of foreign workers to come and look for jobs in various economic sectors including the Malaysian hospitality sector. The growth of Malaysian tourism especially after the successful Visit Malaysia Year campaigns of 1990 and 1994, has increased the demand for skilled workers to work in the hotel construction industry and to serve the hotels once they are completed. The shortage of trained personnel in the hospitality sector is caused by high and instant demand by the tourism sector and made worst by the fact that many Malaysian graduates of tourism and hospitality move abroad looking for greener pastures like in Singapore, Dubai, and Hong Kong. The drive to further reduce operating costs by the Malaysian hospitality industry has further fueled the need for professional foreign workers from nearby countries such Bangladesh, Myanmar, Indonesia, Pakistan and others. This, measure, despite the fact that it supposed to be just a stop-gap action, is now irreversible. Instead of reducing the number of foreign workers, early 2016 sees a call for more foreign workers to be imported to serve in critical sectors such as the construction industry. This paper looks at the issues of the influx of foreign workers into Malaysian tourism and hospitality sector.

Keywords— Migration, Foreign Workers, Tourism.

I. INTRODUCTION

Tourism, according to UNWTO, as to "*..comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes" (2010)* and they reported that international tourist arrivals reached 1.2 billions in the year 2015. Migration, on the other hand, is 'usually defined spatially as movement across the boundary of an areal unit' and 'it is generally agreed that there will be some permanence to a move described as a migration' (Boyle *et al.* 1998).

However in some countries the lines are blurred between 'migrants' and 'foreign-born workers' who may have all the rights of native workers (Anderson, 2010). While both groups of people involve cross-border travels, tourists travel mainly for leisure purpose, while foreign workers seek new jobs and get paid in the destination area – discounting themselves from the scope of tourism.

Interestingly, these two groups may end up at a same location, such as Malaysia with different scope and activities all together. While tourists move freely and enjoy leisure activities at the place of attraction, they may be served by their own countryman who came as a foreign worker, serving the Malaysian hospitality industry. A scene that is too common for a country like Malaysia.

Tourism industry is often recognized as one of the main important services in the world and is a catalyst for foreign exchange earnings, revenue generation, new jobs, balance of payment and contributing to the gross domestic product. In Malaysia, the tourism industry has been growing rapidly for the past 20 years and is still expanding exponentially until today. Tourism has helped to boosting the economic growth with the increase number of tourists. In 2014, Malaysia received 27.4 million tourist arrivals compared to 25.7 million in 2013, representing 6.7% of growth rate. It has generated RM72 billion tourist receipts to the economy (in 2014) compared to RM65.4 billion in 2013 with 10% increase.

Singapore was the biggest contributor to Malaysia's tourist arrivals in 2014, with 13.93 million (50.78%) followed by Indonesia (2.83 million), China (1.61 million), Thailand (1.30 million), Brunei (1.21 million), India (0.77 million), Philippines (0.62 million), Australia (0.57 million), Japan (0.55 million) and United Kingdom (0.45 million).
Most of the developing countries accepts and uses migrant workers as human resources to tackle the labor shortage problem.

The act of migrating itself is related to tourism whether as a provider or receiver of the service. However, the migration patterns might vary significantly between countries and regions in the world (Joppe, 2012) depending on the country's direction. To date, there has been a singular lack of attention paid to the role of tourism in these new forms of migration, with some exceptions (Monk & Alexander, 1986; Myklebost, 1989) and very few attempts to disentangle the changing relationships between tourism and migration which are inherent in the life courses of such individuals (Williams & Hall, 2000).

II. MIGRATION IN THE MALAYSIA TOURISM SECTOR

There were about 2.07 million migrant workers working in Malaysia in 2014 (Department of Labor Peninsular, Ministry of Human Resources Malaysia, 2014), about 6.9% of Malaysia's 30 million population. The migrant workers for Malaysia come from more than 12 countries in Asia namely, Nepal, Bangladesh, India, Pakistan, Vietnam, Cambodia, Thailand and Philippines with majority coming from Indonesia (Robertson, 2008). This is due to the fact that these countries are located near to each other making it possible for mass migration. The numbers of migrant workers in Malaysia according to their country of origin are shown in the Table 1 below. They travelled to Malaysia mainly to serve in the construction, plantation, manufacturing, as well as services –where tourism falls under. As of 2014, there were 270,048 migrant workers working in the service sector. An approximately about 13% of the total numbers of migrant workers are working in service sector which engage directly to locals and tourists.

III. FOREIGN WORKERS IN TOURISM AND HOSPITALITY INDUSTRY

Tourism are among the fastest growing industry, thus the demand for labor in the tourism industry continues to grow; employers need more employees it is difficult to retain the workers in the industry (Joppe, 2012). As the turnover rate for the tourism sector is usually high, thus most of the employers opt to employed migrant workers instead as migrant workers able to do double jobs and works extra shifts.

The move to reduce operating costs among tourism service providers has resulted in a significant increase in the number of foreign workers in Malaysia. In the beginning, male Indonesian workers were brought in to work in the oil palm plantations, as well in the construction industry. Indonesian ladies were brought to be nannies to fill in the vacuum left by the increasing number of working mothers. Indonesian ladies are preferred than the Pilipinos due to similarities in religion and culture. Indonesian women are cheaper in term of their monthly salary. In the early 90s, the Bangladeshis were introduced to Malaysian soil, mainly to man the patrol stations and to work in the factories. These more educated Bangladeshis eventually move up the rank and can be seen now managing the petron stations, or in charge of the cashiers at major restaurants. They were later joined by workers from Nepal and Myanmar. A visit to any food court in Kuala Lumpur would find that most of the multinational food establishments are handled by foreign workers from either Bangladesh, Indonesia, Myanmar or Nepal. Restaurant owners lament that they have to resort to hiring foreign workers as they are more reliable, diligent, cheaper, loyal and willing to work long hours without much troubles as compared to hiring local youths. While there are plenty of local youths seeking for jobs, they are claimed to be demanding, difficult to handle, as well as not loyal and tend to move other jobs that are more lucrative.

In early 2016, the Government announced that Malaysia will allow another 1.5 million Bangladeshis to work in various sectors in the country, especially as chefs and kitchen helpers. This move is contrary to the move by the Penang State Government, an opposition held state in early 2016 that forbid the use of foreign cooks as the main chef for hawkers food, in a move to protect the authenticity of local dishes. Penang is a state that is well famous for its local foods among both local and foreign visitors.

Concerns about the presence of foreign workers in the tourism and hospitality sector are due to several issues, namely:-

3.1. Economic Impact

In some countries, the migration itself leads to few benefits to the host country. It is believed that the migration is boosting the working-age population of the host countries. At the same time their arrival equipped with various skills leads to contribution of human capital development of the receiving countries. However in the case of Malaysia, foreign workers claimed to take over jobs previously held by the locals. According to Robertson (2008), echoed recently by Malaysia's Deputy Prime Minister, many Malaysia nowadays are no longer willing to work or perform jobs that are considered as 3-D which means; dirty, difficult and dangerous. Thus, most of the employers opt to use migrant workers in sector such as construction, manufacturing, plantation, agricultural and few services sectors. At the same, the costs in hiring the migrant workers are slightly cheaper due to currency exchange and living standards. Income of these foreign workers are also sent home, leaking further the Malaysian economy.

3.2. Social and Security Issues

Looking from the social and security issues, the migrant workers might be socially helpful to the society; yet, some of the irresponsible workers might contribute to the increasing number of crime in one country. At the same time, it also create competitions and clashed between the migrant workers and the locals as the use of expatriates or immigrant employees, sometimes invokes controversy and cause a stirred as their numbers often bring charges that hiring expatriates has negative consequences for domestic job seekers (Sadi & Henderson, 2005).

3.3. Service Quality & Labor Shortage

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continues to grow; employers need more employees it is difficult to retain the workers in the industry (Joppe, 2012). As the turnover rate for the tourism sector is usually high, thus most of the employers opt to employed migrant workers instead as migrant workers able to do double jobs and works extra shifts. Busquets (2010) also mentioned that the consumer demand patterns require working conditions hours in the form of split shifts, weekend shifts, night shifts, or work during holiday periods are the norm which most of the migrant workers are willing to commit to it. Nevertheless, as these basic work conditions, which furthermore include many low paying income, low-skilled jobs, fewer benefits and limited opportunities for advancement, have not changed to a great extent in the last 20 years (Baum, 2007) the industry tend to overlook the importance of tackling these problems for future benefits.

3.4. Image credibility

The migration also might become a friend or foe of the tourism's image credibility. Taking into consideration the aspects of authenticity of the services provided, there might be differences in level of portraying the locality of the services or product as it might change the expectation of tourists who wish to see the actual and colorful ethnic of Malaysia which associated with the Malaysia, Truly Asia's tagline. Concerns might rise as most of the migrant workers are working in the service industry which might lead to misconception of the actual cultural authencity.

3.5. Health

As mentioned by Carballo, Divino & Zeric (1998), the act of migration itself will give impact to three parties which are; those who move, those who are left-behind as well as those who host the migrant. Thus, the implications can indirectly be related to the health care system of one's country as well as the communities as the movement might be getting out of hand. Migrants, especially irregular migrants who avoid compulsory health screening, have been the conduit for highly communicable diseases such as malaria, tuberculosis and leprosy. These were diseases that were either eradicated or under control until the arrival of migrant workers.

3.6. Sustainability of The Sector

Looking from a different perspective, the industry is keen in looking for experienced migrant worker, especially the skilled and driven employees who has been working in various countries before. Williams & Hall (2000) emphasize that there is a greater need for skilled international migration, especially for senior management as the team player. In Malaysia, migrant workers are highly needed and demanded to cater the labor shortage. Robertson (2008) believes that migrant workers will continue to play an essential role in many sectors of the Malaysian economy, including manufacturing, for the foreseeable future.

CONCLUSION

The willingness of the migrant workers to work for lower wages compared to the local workers are preferred by the employer, as they believe that such individuals are more willing to undertake uncongenial and physically demanding tasks (Sadi & Henderson, 2005). In the case of Malaysia, the arrivals of foreign workers and subsequently their presence in the tourism and hospitality sector has given a new dimension on how we look at the sector. While we must admit that foreign workers are needed in some sectors like construction and plantation, but to populate the country with foreign workers would be a disastrous measure. In addition to that, Kurus (1998) suggested that the Malaysian government should implement a more systematic mechanism to monitor and facilitate the movement of the foreign labors within the region, which could be accomplished through a multilateral agreement with the sending countries.

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