

Snag in system causing woes

Delays, poor guidelines slowing down foreign worker applications

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PETALING JAYA: With just a month left before the March 31 deadline to apply for foreign worker employment quotas, employers say they are encountering hitches in the application process.

Malaysian Muslim Restaurant Owners Association (Presma) president Datuk Mohamed Mohsin Abdul Razak said preliminary feedback from members pointed to administrative hiccups in the system.

He cited cases in which employers faced delayed responses, as well as inadequate guidelines that slowed the processing of their applications.

"Bottlenecks have been reported by employers who prepared the required documentation but ended up waiting to access the application portal and to obtain confirmation of worker allocations from the authorities.

"They want simpler procedures and stronger supply channels," he said when contacted.

On Dec 30 last year, the Home Ministry announced that employers could apply for foreign worker employment quotas for 2025 during a special window from Jan 19 to March 31.

This covers all sectors and sub-sectors approved by the government last year, subject to eligibility criteria.

The special window is meant to help employers submit their applications in a more orderly manner. The previous deadline was Dec 31 last year.

Mohamed Mohsin claimed that they had previously been informed that the ministry would provide replacement workers for every foreign worker who left their job from 2023.

"But this has yet to materialise. Had this been approved, it would at least help restaurant operators fill the manpower gap," he said.

He said Presma had proposed that the government grant a one-off special approval for foreign workers to meet the sector's manpower needs.

This would make it easier to keep track of workers and avoid the hiring of undocumented ones, he added.

Malaysia Indian Restaurant Operators Association president Datuk J. Govindasamy @ Suresh said the take-up rate could not yet be determined, as many restaurant owners were facing difficulty accessing the system.

"The portal keeps showing 'full - no time slot available'. Our members are still waiting for

these slots, so applications are not moving smoothly," he said.

Govindasamy said his members were facing bottlenecks throughout the application process.

"The guidelines were not only released late, but interview sessions were also postponed. Counters were temporarily closed and subsequently the quota was declared full.

"Even with the special window period, the new portal has limited or no available slots," he said.

These issues, he added, had created uncertainty and delays.

"The demand for manpower is high, but it is being choked by limitations in the system," he said.

With many members still unable to secure interview dates, Govindasamy said the March 31 deadline was inadequate.

He said the manpower shortage in the restaurant industry had reached a critical point, particularly for Indian and mamak eateries.

Since 2022, he said, there have been no new manpower quotas for the sector, except for replacement worker applications.

Govindasamy said hiring Malaysian workers continues to be an uphill task.

"The situation is expected to worsen, as about 85% of existing foreign workers will soon com-

plete their three-year contracts and return to their home countries," he said.

He claimed the impact was already being felt, citing cases of restaurants reducing operating hours, cutting seating capacity and trimming menus.

Malaysian Employers Federation (MEF) president Datuk Dr Syed Hussain Syed Husman said feedback from members showed that while industries facing acute shortages had moved quickly to submit applications, others were still grappling with procedural and documentation requirements.

"Some report that the system is relatively smooth, but others have encountered bottlenecks, particularly involving documentation requirements, clarifications on sector eligibility and system accessibility. The response has been moderate so far, but it varies across sectors," he said.

Some employers, he added, remain uncertain about the criteria and sector-specific quotas.

He urged the authorities to provide clearer guidance and more proactive support to reduce delays and administrative burdens, stressing that streamlined procedures would allow more employers to benefit from the special window.



Syed Hussain also advised companies not to wait until the eleventh hour, as the processing of applications may differ depending on the sector and the completeness of submissions.

He said sectors such as manufacturing, construction, plantation and agriculture, as well as certain service industry jobs, continue to face critical labour shortage.

"These shortages are affecting operational efficiency, project timelines and service delivery in certain regions, and in some cases, also revenue," he said.

While Syed Hussain welcomed the special window as a positive step, he stressed that timely allocation of quotas and clear communication from the authorities are crucial.

"Without timely approvals and clear guidance, businesses will continue to face disruptions that affect productivity and competitiveness," he said.

Plantation sector hit hard by labour shortage

PETALING JAYA: Labour shortages in oil palm plantations are causing severe economic and operational losses estimated between RM7.5bil and RM20bil annually, says Malaysian Employers Federation (MEF) president Datuk Dr Syed Hussain Syed Husman.

He said the situation highlights how heavily the plantation sector relies on foreign workers, who make up about 80% of the workforce, especially oil palm harvesters.

Syed Hussain said travel restrictions and slow recruitment processes have resulted in significant volumes of fresh fruit bunches going unharvested and leading to reduced oil extraction rates and deteriorating crop quality.

"When harvesting is delayed, the losses are not just immediate but compounded. The quality drops, output declines and the overall efficiency of operations is affected," he added.

Syed Hussain said labour shortages are also taking a tangible toll on production output in other critical sectors.

"As of this year, about 77% of manufacturers highlighted that labour shortages are their primary operational challenge, even surpassing concerns over tariffs and trade barriers," he said.

He said labour scarcity may also push up wages, overtime and recruitment costs, forcing employers to either absorb the extra costs or pass them on to consumers.

He noted that uncertainty over workforce availability may also



Supply and demand: A file photo showing an oil palm fruit harvester at work. Labour shortages especially in oil palm plantations have caused approximately RM20bil in losses annually.

affect plans for businesses' growth or new projects.

This could slow economic activity, disrupt job creation and affect the country's appeal to both domestic and foreign investors, he added.

"Existing employees are also likely to face heavier workloads, raising stress levels and the risk of greater turnover.

"Productivity could take a hit if

companies are forced to operate with suboptimal staffing, compounding operational pressures across affected sectors.

"Persistent labour constraints may also force some employers to turn to informal hiring channels and increase the risk of regulatory breaches, penalties and reputational damage," he said.

He stressed that without coordinated action between employers,

government agencies and training institutions, prolonged manpower shortages could slow domestic investment and dampen broader economic expansion.

"We need a more responsive and efficient workforce management framework to ensure businesses can operate at optimal capacity. Otherwise, the longer this persists, the greater the risk to growth and competitiveness."

Flood evacuees in Tenom on the rise

KOTA KINABALU: The number of flood evacuees in Sabah's interior Tenom continue to rise, though the situation appears to be easing in the south-western districts.

The number of flood evacuees rose to 5,206 people from 1,741 households in Tenom where 46 villages continue to be hit by floods, according to State Disaster Management Committee Secretariat.

A total of 6,910 flood victims from 2282 households from 155 villages remained at flood evacuation centres in Tenom, Beaufort and Membakut with flood relief centres in Sipitang shut down with improving conditions as of 4pm yesterday.

According to the secretariat, the number of evacuees in Beaufort remained at 1,462 people from 467 families, while Membakut saw the closure of one relief centre with 202 people from 74 families remaining at other relief centres.

Sipitang has allowed all evacuated victims to return home after the relief centres with 329 people from 146 families were closed yesterday.

Relief assistance for victims are ongoing with state authorities still assessing the massive damage caused to the infrastructure, as well as crops and livestock.