

# A CONCEPTUAL FRAMEWORK FOR THE SOCIAL IMPACT ASSESSMENT OF FOREIGN WORKERS INFLUX ON THE SOCIAL WELLBEING OF THE SECOND GENERATION FELDA

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## **ABSTRACT**

*More recent media coverage and reports on foreign workers indicate the critical of the issue in the local setting. The influx of foreign workers in Malaysia is alarming. Most of them work in various employment sectors, in particular the plantation sector. In Malaysia, the largest plantation sector is the Federal Land Development Authority (FELDA). This paper intends to determine the social impact of foreign worker influx on the social wellbeing of the second generation FELDA. Also, this paper constructs the conceptual framework for a model of social impact research on the influx of foreign workers on the social wellbeing of the second generation FELDA. The primary data about the impact of foreign workers influxion on the social wellbeing of the second generation FELDA were collected from the questionnaire survey and focus group interviews that have been identified on giving a clearer picture of the current situation of foreign workers influx in FELDA plantation sector in Malaysia.*

**KEYWORDS:** *social impact, foreign workers, second generation Felda*

## **1.0 INTRODUCTION**

The foreign worker is a person who is not a citizen working in another country temporarily. Companies employ them for a limited period with the aim of increasing the workforce and provide skills to the country concerned. According to Che Hashim (2009), foreign workers in Malaysia are workers from other countries to work in Malaysia for a certain period. Historically, according to Rusniah *et al.*, (2014), Malaysia had already received foreign workers since the beginning of the 20th century, when the British colonial government introduced a liberal immigration policy. The policy led many foreign

workers, especially from China, India, and Indonesia to be brought in the plantation, construction, mining and administration sectors. The recruitment of foreign workers in various sectors, creating dumping of foreign workers. No exception to plantation sector, as it also suffered from the dumping of foreign workers.

According to the Economic Report 2010/2011, 14.2% of foreign workers in Malaysia is in the plantation sector. Plantation Industry in Malaysia is an active sector and contribute to the economic development of Malaysia. Requirements to supply worker in the plantation industry are demanding to increase foreign manpower needs. Figure 1 below shows. It can be concluded that at the end of 2012, the number of registered foreign workers has dropped to 1.6 million after almost recorded the highest number at 2.1 million in 2008. However, foreign workers rose to 2.1 million in the first six months of 2013.



Figure 1: Numbers of foreign workers in Malaysia, 2008-2013  
(Source: Department of Statistics Malaysia, 2012)

With regards to these concerns, this paper aims to:

1. determines the social impact of foreign workers influx on the social wellbeing of the second generation FELDA.
2. constructs the conceptual framework for a model of social impact research on the foreign worker influx on the social wellbeing of the second generation FELDA

## 2.0 LITERATURE REVIEW

Based on the Economic Report 2010/2011, there were 1.8 million registered foreign workers in Malaysia which are 14.2% in the plantation sector. Indonesia showed the highest number of foreign workers in

Malaysia, namely 50.9%, followed by Bangladesh as much as 17% of the total number of foreign workers in Malaysia. The number of foreign workers in the plantation sector in Malaysia showed an increase from 2010 to 2011, namely 266 196 to 299 217 people (Department of Statistics, 2012). The presence of foreign workers very helpful in the process of national development by meeting the workforce in selected works sector. However, uncontrolled conditions provides various impacts on society. Impacts received by Felda community include lack of employment opportunities and crime problems. According to the Labour Force Survey of Statistics Malaysia in January 2015, the unemployment rate in Malaysia increased by 0.1 percentage points to 3.1 per cent in January 2015 compared to 3.0 per cent in December 2014. While according to the Ministry of Home Affairs Malaysia (2014), 9496 criminal cases in Malaysia in 2014 was committed by foreigners.

According to Midgley (1995), the achievement of social welfare is determined by the success of three aspects, namely the management or control of social problems, fulfilling the necessities of life and opportunities for social mobility in a society or community. In this study, the second generation Felda not achieve social well-being due to the influx of foreign workers and cannot fulfilling the necessities of life such as employment and management or control of social problems. In Malaysia, there are studies on the impact of foreign workers and economic sectors other than agriculture sector. Peck (2010), for instances assessed the economic impact of domestic workers in Malaysia. The study was conducted to determine the economic impact of low-skilled workers, and the participation of women as domestic workers in the host country and how women influence the development of children in their care. Also, previous studies such as Syed Abdul Razak (2014) study on labor migration from Indonesia to Sabah: Changes, Trends, and Effects. This study found that the migration of low-skilled industrial workers between Indonesia and Malaysia will go on forever. Balambigai (2013) also examines the migration of 'circular' Indonesian workers to Malaysia: patterns, causes, and consequences. The study found workers from Indonesia is an important component of low-skilled worker in Malaysia. The researchers argue that as long as Malaysia continues to require worker, international migration will continue between the two neighboring countries.

### **3.0 METHODOLOGY**

This study utilized a triangulation method consisting of focus group discussion and questionnaire. Quantitative methods using

questionnaires and qualitative methods using focus group discussion. It was chosen as the basis for empirical data that can describe the impact of the influx of foreign workers issue on the second generation Felda. The focus group discussion were made on the first interview session which was held in Felda at Kota Tinggi, Johor. The study population was composed of second generation Felda Air Tawar 5. The focus group respondent involved 30 participant of two categories, married and not married, in three ages group between age's group between ages of 18-40 years. Most of the data were collected during the focus group activity session and based mostly on the participants' perceptions. The purpose was to identify the construct for the questionnaire. Based on the focus group session, two category items have been built. The focus group interview was used for the following reasons:

1. To rate the aspects studied include the impacts faced by the second generation Felda by several factors, namely the economy, social, skill, security, health, education and environment.
2. To rate the second generation Felda perception of government policies and the influx of foreign workers present.

#### 4.0 FINDINGS AND DISCUSSION

Findings from the focus group discussion are portrayed in the following figure:

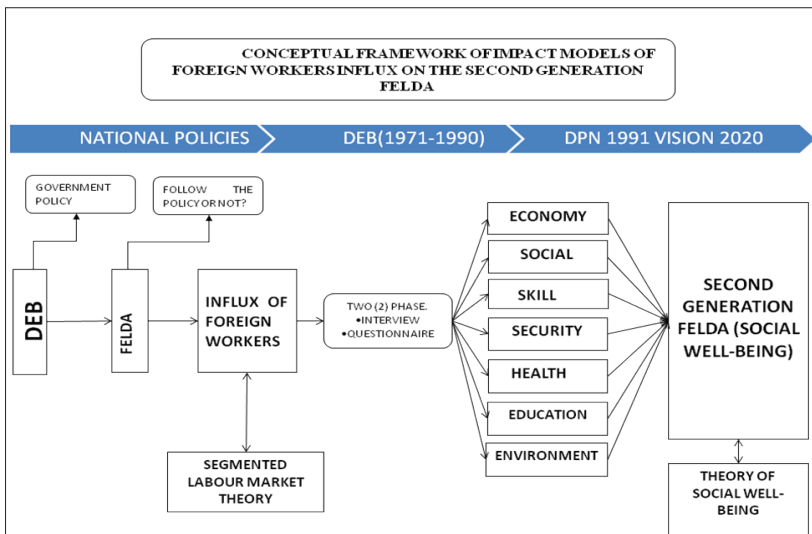


Figure 2: The conceptual framework of impact models of foreign workers on the second generation FELDA

Figure 2 shows the impact of foreign workers influx on the second generation Felda. From the new integrated social impact model of foreign workers based on bottom up approach that involved community participation through focus group interview and survey, there are seven social impacts of the foreign workers influx on the second generation Felda namely economy, social, skill, security, health, education and environment.

From the conceptual framework of impact models, it can be concluded that National development policies are built not only for economic development but the aim is for the social development of society to achieve social welfare in improving the quality of life. According to Haris (2010), social welfare is a goal and a core element for the development of a community. Starting in 1971, the New Economic Policy was launched with the aim of socio-economic importance of national unity. There are two strategies to achieve this goal of reducing and eventually eradicating poverty through increased income and additional employment opportunities for all Malaysians. Felda set goals are in line with the objectives of the New Economic Policy, society free of poverty and eliminate the identification of race with the economic function. According to Sarjit (2007), the establishment of development agencies like Felda land and agriculture is essential to meet the objectives of creating jobs and raising incomes of the farmers. Felda plantation industry also impacted due to the presence of foreign workers is increasing from year to year. Felda establishment should not only impact directly to the first generation of Felda to improve their socio-economic status, but in turn can benefit the Felda second generation to continue the legacy of the first generation. Since the influx of foreign workers in Felda areas is increasing, the second generation of an increasingly challenging role in the continuation of the first generation of Felda.

The researcher will propose a plan for social planning second generation Felda to JKKK Felda to ensure that the second generation Felda remain and the continuation of the previous generation thus reducing the influx of foreign workers in the plantation sector Felda. This is because Felda is now heading to the problems of preserving human resources from among the children of the settlers themselves. In this case, the prospect of preserving human resources Felda highly dependent on new planning to move the economy and the environment Felda towards providing economic opportunities to the younger generation Felda. The second generation of social planning program Felda will compile the factors that can promote the second generation to remain and interested in connecting their parents struggle as settlers who have expertise in the management and operation of the farm.

## 4.1 Discussion

The findings from focus group interview show that second generation Felda faced social impact caused by foreign workers influx namely economy, social, skill, security, health, education and environment. The influx of foreign workers gives the negative impact such as lack of employment opportunities for the second generation of Felda and rampant crime problem. Problems affecting social welfare second generation in the fulfilling quality of life. According to Haris (2010), social welfare is a goal and a core element for the development of a community. Felda is an organization that plays a role in fulfilling quality of life of communities as noted by Sarjit (2007), the establishment of development agencies like Felda land and agriculture is essential to meet the objectives of creating jobs and raising incomes of the farmers.

## 5.0 CONCLUSION

The research is very crucial to contribute to the development of social science research on social mobility, especially among the second generation and the impact Felda influx of foreign workers in Malaysia. The study will support the management Felda to strategize and economic planning of second generation Felda to remain and perform the role of the continuation of the previous generation Felda without involving foreign workers in the plantation sector Felda. The results of this study will also provide a reference to the Felda to take action for the benefit of society Felda. It is important to ensure a socio-economic level of the second generation Felda better in the future, especially for the new generation Felda. The results of this study can also be used as a common reference about the impact of the influx of foreign workers in the plantation sector in Malaysia Felda specifically and generally.

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