

# **WELFARE AND THE EMPLOYMENT ISSUES RELATED TO FOREIGN WORKERS IN SABAH: A CASE STUDY OF MENSULI ESTATE**

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## **ABSTRACT**

The study analysed the welfare and employment issues related to foreign workers in Sabah. This study aims to determine the main factors that contribute to the oil palm productivity in relation to minimum wage, welfare management, and training provided to the foreign workers, to examine productivity status of the foreign harvesters and loose fruit collectors with welfare management and to examine the foreign harvesters' and loose fruit collectors' employment situations in oil palm plantations in Mensuli Estate. The method that had been used to obtain the data in this study was questionnaires distribution method and personal interviews. The questionnaires consisted of four (4) sections the questionnaire format based on Likert Scale. The data was analysed by using factorial analysis. The factor analysis identified seven factors that led to welfare and employment issues of foreign workers. The factors including competition with

Indonesian palm oil plantation, training provided by the company, welfare management, satisfaction with the company welfare management, wage satisfaction, minimum wage and high cost of living. It was found that most of the respondents knew about the wage hike in Indonesia palm oil plantations and they were willing to return back to their homeland. Therefore the government should take an action to prevent the workers shortage issues in the plantation by encouraging local younger generation to work in the plantation sectors.

*Keywords:* welfare, foreign workers, Sabah, Mensuli Estate

## **1. Introduction**

Malaysia is the second exporter of crude palm oil and second largest producer of oil palm after Indonesia. Oil palm planted area in 2015 reached 5.64 million hectares, an increase of 4.6% as against 5.39 million hectares recorded in the previous year. This was mainly due to the increase in new planted areas especially in Sarawak,

which recorded an increase of 13.9%. Sabah is still the largest oil palm planted state, with 1.54 million hectares or 27% of the total oil palm planted area, followed by Sarawak with 1.44 million hectares or 26%, while Peninsular Malaysia accounted for 2.66 million hectares or 47% (MPOB, 2016).

Furthermore, as planted areas of oil palm are expanding, oil palm plantations in Malaysia are facing labour shortage. Malaysia is highly dependent on foreign workers, especially in the plantation sector. As mentioned by Hanim (2012), the current status of labour to land ratio is one person to 10 hectares of oil palm area. In addition, by the year 2020, Malaysia plans to develop another 500,000 hectares of oil palm and if labour to land ratio is maintained, Malaysia will require an additional of 50,000 workers in oil palm plantations. Besides that, most of foreign workers in oil palm plantation are from Indonesia, Bangladesh and Myanmar. Moreover, most of the foreign plantations workers in the oil palm plantations are the Fresh Fruit Bunch (FFB) harvesters and collectors who work in the crucial parts of the oil palm plantation which acts as one of the pulses in the oil palm plantation. Besides that, general workers in the oil palm plantation also showed a decline in numbers.

As Indonesia become the largest producer of oil palm, the labour shortage issues become more critical in Malaysia as most of the fruit harvesters and collectors come from Indonesia. Besides that, Indonesia had announced minimum wage hike last year. As a result, it will affect Malaysian palm oil

margin and make it more difficult for Malaysia to address its labour shortage issues, according to Maybank Investment Bank (Ho, 2012) as the Indonesian workers chose to go back to their homeland.

The crucial part in the palm oil production is the worker or labour. Most of the labours come from foreign countries such as Indonesia, Bangladesh and Myanmar. Indonesia has the highest number of employment over the years as compared to other countries as shown in Table 1.

Under the current situation, Malaysia is having problems in labour supply as most of the skilled Indonesian labour is going back to their homeland. As mentioned by PEMANDU (2012), the main source of labour supply for plantations in Malaysia has been severely impacted as foreign workers prefer to work in the plantation in their home country. The plantation sector in Malaysia in Table 2 shows that there was an increasing trend in labour shortage from 2010 while in the year 2013 the number of foreign workers in the plantation sector risen up to 167,743 people. It showed that Government has taken an effort in order to solve the labour shortage issues yet there is still labour shortage especially in the Malaysian states of Sabah and Sarawak.

Malaysian palm oil industry is labour intensive. The foreign workers worked mainly as Fresh Fruit Bunch (FFB) harvesters, loose fruit collectors and other field workers. According to Faizah (2010), the proportions of foreigners were exceeding 77% in each

of these job categories. Besides, most of the plantation works are monopolised by the foreign workers for a long time as local people are not interested in this work. Although this sector offers a number of employment opportunities, it does not attract the local workers' interest since the industry is being perceived by them as dirty, dangerous and difficult (Ramli et al. 2011).

This study aims to determine the main factors that contribute to the oil palm productivity in relation to minimum wage, welfare management, and training provided to the foreign workers, to examine productivity status of the foreign harvesters and loose fruit collectors with welfare management and to examine their employment situations in oil palm plantations in the study area.

## **2. Literature Reviews**

### **2.1. *Current labour issue on overall activities in oil palm plantation in Sabah***

Sabah employs the highest number of foreign workers due to the larger palm cultivation which is about 1.07 million hectares as compared to the 2.5 million populations (Daud, 2006). Sabah has acquired more foreign labour from Indonesia and a small number of Philippines due to laws restriction on foreign workers while Peninsular Malaysia has more freedom on choosing foreign workers from different countries (Ramli et al. 2011). In addition, when Indonesia announced the minimum wage last November 2012, labour shortage issues in oil palm industry in Sabah became worse. As Abdul Kadir (2012), pointed out that Sabah and Sarawak especially

in oil palm plantation sectors are heavily dependent on foreign workers but "sadly, their wages are much lower as compared to their peers in the Peninsula." Thus, it becomes more difficult for oil palm plantation in Malaysia especially in Sabah to retain and recruit the Indonesian workers. Ramli et al. (2011) mentioned that in the year 2010, FFB harvesters and collectors had higher employment rate which engaged 43% of 446,368 oil palm plantation over Malaysia. Malaysia was not the only country which faced skilled labour shortage problem but this problem also happened worldwide such as in Canada, United Kingdom, India, Bahamas and United States (Shazwani et al. 2012).

### **2.2. *Factors affecting foreign labour issues in oil palm plantations***

#### **2.2.2. *Minimum wage***

The minimum wage rate is one of the major factors that caused labour issues not only in Malaysia but in other countries as well. The major problem of labour issues in estate work is low wage rate and this situation happened in all regions (Pathiraja et al. 2010). In addition, wage rate imposed in Sabah and Sarawak was RM800 per month which was lower as compared to Peninsular Malaysia with RM900 per month. The agricultural workers usually get lower wages, undertake laborious job and have highly irregular employment (Pandhi, 2007). As mentioned by Kaur et al. (2011), it was observed that the major economic factor contributed about 94.3% migrants due to the lower wage paid. In addition, FFB harvesters can earn

more than RM800 per month if they have higher productivity rate based on yield harvested. According to Daud (2006), based on piece rate payments that have been practised for FFB harvesters, if they are hardworking enough they can earn up to RM2000 per month.

### *2.2.3. Competition with oil palm plantation in Indonesia*

Indonesia's minimum wage hike plans will place Malaysia oil palm plantation firms in a quandary on the next coming years as many skilled Indonesian harvesters working in the estate here will likely to return home for better salaries (Clara, 2012). As proved by Atto (2010), most of the respondents indicated that their Indonesian workers did not return after going back home due to expanding of oil palm industry in Indonesia which give better employments and wages as compared to Malaysia. This competition has affected the labour supply in the Malaysia oil palm plantation industry especially in Sabah which is heavily dependent on Indonesian workers.

### *2.2.4. Labour welfare management*

Employee welfare facilities in the organisation affected the behaviour of the employees as well as the productivity of the organisation (Venugopal et al. 2011). The logic behind providing welfare schemes is to create efficient, healthy, loyal and satisfied labour force for the organisation and to make their work life better and also to raise their standard of living (Babu et al. 2012). Education for the foreign workers' children should be considered and plantation companies should involve or directly participate to accelerate the

establishment of the facilities closer to the workers' location (Abdul Kadir, 2012). The educational levels of the foreign workers' children are mostly neglected by certain organisations and becoming a real threat not only for the plantation sectors but for other sectors as well. Without valid documentations to prove their nationalities, their children healthcare and education may be neglected by the organization (Motlagh, 2013). Major complaint amongst Indonesian workers especially the males is that they are lonely as their families and spouses are left at behind in their country (Daud, 2006). As mentioned earlier in law and regulation, they are prohibited to bring their family member to stay with them in Malaysia. As proved by Tipples and Morriss (2002), labour shortage cases are mostly caused by poor treatment of staff by employer as well as the job is not attractive enough for the workers. The management should provide good and relevant facilities to all employees in such way that employees become satisfied that they are inspired to work harder, efficiently and effectively (Srinivas, 2013). As mentioned by Hanim (2012), Malaysia still needs to implement proper management and strategies in order to improve recruitment process and as well as considering better retention program for foreign workers.

### *2.2.5. Training and development*

Training is a fundamental and effectual instrument in successful accomplishment of the firm's goals and objectives, resulting in higher productivity (Konings & Vanomerlingen, 2009). The organisation provides development and

enhances quality of new existing employees through training (Maimuna& Rashad, 2013). The main training in the plantation only focused on the practical training compared to theory training. They also should be exposed to the new environment related to plantation to enhance and sharpen their skills. Training affects employees' behaviour and their working skills which results into employees enhanced performance as well as constructive changes (Satterfield & Hughes, 2007).

**2.3. Impact of labour shortage toward palm oil production**

The absence of labour to provide less supply of labour intensive sector shows a huge drawback for the future of coconut industry (Pathiraja, 2010) and this situation also happened in oil palm industry. As the oil palm area expanded, Malaysia required about 40,000 foreign workers to be involved in harvesting activities as well as harvesting FFB and loose fruit collection (Ooi, 2012a). In addition, the most affected activities are harvesting the FFB and loose fruit collection as these jobs have been done mostly by the foreign workers. Malaysia is losing billions of ringgit in palm oil exports because the scarcity of foreign labour to harvest fruit bunches in the oil palm fields (Ooi, 2012b). Besides that, labour shortage in oil palm plantation will reduce the plantation income by RM3 million and the tax potential of RM1 billion to be repatriated to the foreign workers' home countries and consequently raise the production cost as well as erode Malaysia competitive advantage (Zainal, 2009). A study conducted by Sivaram (1996), tea estate productivity

depends on the labour utilisation as well as labour to land ratio. Besides that, employment cost will also increase as the companies will have to increase the wage structures to keep existing workers and attract new ones. According to Kamarul (2012), IOI Crop Berhad, for instance, saw there is declining rate on FFB production and yield per mature hectare between 2008 and 2011 due to unfavourable weather condition and labour shortage.

**3. Methodology**

The study was carried out in Mensuli Estate, Sabah. Mensuli Estate has a total number of 427 foreign workers. The sample size were developed by Cochran (1977) as mentioned by Barlett et.al (2001). This formula also used by Borkhani et.al (2013), sample of workers was selected by using stratified and random sampling and the sample size calculation was calculated using Cochran's formula as shown in Table 3.

$$Sample\ size\ (n) = \frac{N(t)^2 pq}{(N - 1)(d)^2 + (t)^2 pq} \tag{1}$$

*n* = required sample size.

*N* = the population size (427)

$(t)^2$  = 95% confidence interval  $(1.96)^2$

*pq* = population proportion (assumed to be 0.50 since this would provide the maximum sample size)

*d* = the degree of accuracy expressed as a proportion (0.05). I willing to accept 5% of error in this study

Primary data was used in this study. The primary data was gathered through questionnaire survey and face-to-face interview was conducted to ensure the reliability of data gathered.

The questionnaire was developed into four parts which are A (demographic information), B (labour welfare management information, labour employment information) and C (foreign workers welfare and employment). Section A of the questionnaire consists of demographic questions, section B and C contain questions pertaining to lists 27 variables respectively. These 27 questions were measured using five-point Likert scale analysis. The scales were anchored at 1= strongly dissatisfied, 2= dissatisfied, 3= neutral or undecided, 4= satisfied and 5= strongly satisfied.

Factorial analysis was used to identify the factors relating to welfare and the employment issues. It was used to reduce number of elements in the questionnaires and to regroup the elements in the same dimension. Based on a study by Hair et al. (2006), there are four steps in factorial analysis including (1) computing the correlation matrix for all variables, (2) extracting a set of initial components from the correlation matrix, (3) rotation of the initial components to make them more interpretable and (4) grouping the scores for each factor (Norsida & Nolila, 2010).

#### 4. Results and Discussions

In this paper, the reliability test was conducted using 50 samples. The result shows that the questions were reliable since the Cronbach Alpha value is 0.883. The greater the value of Cronbach's Alpha, the greater the internal consistency and reliability of the construct is and questionnaire with an Alpha of 0.8 is considered reliable (Field, 2009).

Table 4 shows the 0.771 KMO measure is also acceptable. KMO values between 0.5 and 0.6 are mediocre, values between 0.7 and 0.8 are good, values between 0.9 are great values and values over 0.9 are superb (Field, 2009). Therefore, factor analysis could further be carried out (Norsida & Nolila, 2010). The Barlett's Test of Sphericity is high with 2930.632 which are statistically significant at 1%.

Table 5 illustrates 7 components extracted based on Eigen values greater than 1, collectively accounting for 68.885% of the variation across the sample. The value of 68.88% represent cumulative of the total variance explained and the rest of the mentioned variance were explained by other remaining factors which were unavailable for this research (Ziaemehr et al. 2011)

Table 6 shows the summary for the factor analysis on welfare and employment issues related to foreign workers. These factors are competition with Indonesia, training provided, welfare management, satisfaction with company, wage satisfaction, minimum wage, and high cost of living.

The first factor which has strongest variation explanation is 'competition with Indonesia' with the percentage of 22.716%. The factor was measured by taking four variables into consideration, namely; *gives better employment* (0.953) by *makes you close with your family members* (0.943), *provides better welfare management* (0.935), and *gives higher amount of pay* (0.926). It shows that most of the foreign workers knew and

were aware about the current issues related to the oil palm plantation in Indonesia especially on welfare management and employment. Factor 1 showed that the pull factors in competition such as higher wages, labour demand, welfare management and political stability are very strong in this study. According to Goma (2003), increased in migration to other countries, particularly Malaysia, due to pull factors, namely high wages in the destination than the wage jobs in the area of origin. Foreign workers who moved to more developed country such as Malaysia will often found out that the same work they were doing at home is rewarded abroad with higher wages and a greater welfare benefits. In addition, Malaysia political situation is stable as compared to Indonesia, therefore most of the Indonesian workers preferred to work in Malaysia. However, when Indonesia announced wage hike in 2010, most of the skilled foreign workers who worked in Malaysia were going back to their homeland. This situation caused Malaysia particularly in plantation sector, facing labour shortage as most of the competent Indonesian workers prefer to work at their own home country. Mamat (2010) also mentioned that labour shortage in Sabah is critical because Indonesian workers did not come back after their festive season's holidays as they could get jobs with similar wages in Kalimantan. The skilled harvester that worked in the oil palm plantation in Indonesia could earn up to RM900 per month. According to Sinaga (2013), the Indonesian workers especially harvester can earn basic minimum wage RM900. In addition, many oil palm owners indicated that their

workers (Indonesians) who went home did not return because oil palm industry in Indonesia is also expanding that provides employment opportunities with insignificant differences in wage compared to Malaysia (Ramli et al.2011). There were some complaints made by the male Indonesian workers as they cannot bring along their spouse and children. Most of the Indonesians workers chose to look for work in their homeland as they preferred to have their wives and children to be with them (Ramli et al.2011). However in Mensuli estate, the workers were allowed to bring their spouse and children along into the estate as their spouse also worked there. This study also proved that most of the respondents stated that oil palm plantation in Indonesia gives better payment, provides better welfare management, gives better employment and makes them closer to their family. They were also aware about the current issues such as welfare and employment related to their homeland especially in plantation industry. However, they were stucked in Sabah due to money constraint as they did not have enough money to go back to their homeland.

The second factor showed that 'training provided' (13.143%) had strongest variation explanation. The factor includes six variables namely; *satisfy with the training given* (0.810), *training related to your job specification* (0.803), *company give training before start working* (0.756), *requires training before start working* (0.721), *training based in the job training* (0.675) and *training gives more benefit and knowledge to you* (0.635). Most of the foreign workers

claimed that the estate management provided a minimum of 3 months training before they start working and all their training activities were done in the estate. Training is important for the new workers because the lack of training and experience in agriculture particularly will give bad impact to the foreign workers productivity. As proved by Mohd Arif et al. (2012), lack of training, knowledge and experience of the foreign workers affect the productivity of the project. Most of the respondents mentioned that they were satisfied with the training provided by the company. In addition, training will also improve workers' productivity and help them to be more confident when doing their job. More skill and experience among the labour will increase the productivity (Nurulzatushima et al., 2012).

The third factor is termed "welfare management" which accounted 9.874 of the total variance. The factor includes five variables namely; *medical leave and cost* (0.833), *safety equipment* (0.811), *basic facilities (house, clinic and electricity)* (0.786), *transportation* (0.713), and *good working condition and environment* (0.580). Foreign workers were given basic facilities by the estate management in terms of houses, water and electricity and medical cost. Therefore, foreign workers would be motivated to do their job and further enhance their productivity. Most of the respondents were provided with the basic facilities such as house, clinic, water and electricity supply and they were also given transportation to go to work and to the nearest town. This is aligned

with the study done by Mafruhah et al.(2012) that palm oil plantation provides facilities for foreign workers employed in. Besides that, most of the respondents mentioned that their working conditions were good. This is proven by Mohd Arif et al. (2012), as 18% of the foreign workers choose the good working environment as the factor that influenced their employment in the construction site.

The fourth factor had 8.047% of the total variance and is termed "satisfaction with company". This factor contains three variables; *company treat you well* (0.839), *basic facilities are sufficient* (0.807) and *satisfied with the welfare management provided by the company* (0.789). Foreign workers indicated that they were satisfied with the estate management especially on the welfare management provided by the estate. The respondents stated that they are satisfied with the company welfare management as the company treated them well. Employees welfare facilities provided by the company affected the behaviour of the employees as well as the productivity of the company itself (Srinivas, 2014). The basic facilities provided by the company also sufficient. They also mentioned that their productivity was based on the welfare management given by the company. If the company provides full facilities, their productivity will increase as it is assumed as a reward from the company for their successful job in achieving their productivity as well as the company performance.

The fifth factor is termed "wage satisfaction" which had 6.032%



of the total variance. This factor includes three variables; *wage can maintain or support your family* (0.839), *accept and agree with the wage structure* (0.792) and *wage paid is reasonable* (0.718). The foreign workers were satisfied with their wage and most of their wages were based on piece rate and would be paid at the end of the month. On the other hand, some of the harvesters and loose fruit collectors did not satisfied with their wage structure. However, majority of the respondents mentioned that their wage pay was reasonable as they could maintain and support their family. The reason why they agreed and accepted the wage structure in the company because both husband and wife were working in the same company and it is aligned with the study done by Mafruhah et al.(2012) stated that 14.4% of foreign workers lives with their family in Malaysia as both of husband and wife work in same sector. In addition, most of their incomes spent on their basic necessities such as food, phone bills, children education and cigarette. According to Mafruhah (2011), foreign workers spend almost half of their income for food (55.70%) and 25.19% for cigarette. Besides that, some of the foreign workers were able to transfer some of their income to their family in Indonesia. The amounts of remittances were depending on their monthly income and their welfare in the company. According to Rukmadi (2010), remittance is a proxy of foreign workers welfare and income, much remittance means higher foreign workers welfare and income.

The sixth factor named “minimum wage” accounted 4.869% of the total variance. This factor

includes four variables; *if targeted productivity is lower, the amount of pay will be below RM800* (0.804), *minimum wage is reasonable* (0.715), *accept and agree with the minimum wage policy* (0.621), and *wage payment based on monthly rate* (0.305). Mostly, foreign workers knew about the minimum wage policy imposed by the Malaysian Government and this estate had no exception in following the rules and regulation. Majority of the respondents agreed and accepted the minimum wage imposed by the Malaysian government but still, there were complaints raised by the some of the foreign workers regarding to the minimum wage. Most of the respondents had basic wage rate at RM30.77 per day and the working days were 26 days per month. If their productivity is lower than their targeted productivity, their wage will be lowered. This was the main problem happened in the plantation sector particularly for the harvesters and loose fruit collectors as their salaries depended on their monthly productivity. Based on the study conducted by Daud (2006), the practice of piece rate based on productivity such as for FFB harvester has been widely accepted and as an example, a hardworking harvester could earn up to RM2000 per month. As we know, harvesting activities required large man hours in order to complete the harvesting round. As much as 23% of the foreign workers agreed that wage is the main factor that influenced their employment in the construction site (Mohd Arif et al., 2012) and this situation also happened in the plantation sector as the foreign workers are motivated to do their job based on the wage payment that they

are going to receive. Low wage rate in estate work is a major cause for labour shortage in all regions (Pathiraja, 2010) and this situation currently happened in Sabah oil palm plantation.

The final factor had 4.204% of the total variance and is termed “high cost of living”. This factor includes two variables; *Basic wage payment* (0.662) and *education level for children (school)* (0.534). The wages of the foreign worker were spent more on their basic necessities such as food and their children education. Most of the harvesters had a basic minimum wage of RM800 and some of them could earn up to RM2000 per month if they are hardworking workers. As mentioned earlier, most of their incomes were spent on their children’s education. The company only supported the education fees for their children, while books and stationary needs should be provided by the foreign workers themselves. Besides that, basic wage payment would affect the foreign workers living cost as they earned low salary payment and they had to spend more money for their basic necessities. The standard cost of living still higher in term of food necessities. Therefore, most of the harvesters were motivated to go back to their home land as they can earn more income and the standard of living in Indonesia still considered lower compared to Malaysia.

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**Table legends**

Table 1: Statistic of foreign worker in Malaysia 2010-2015

Nationality	Total					
	2010	2011	2012	2013	2014	2015
Indonesia	792,809	785,236	746,063	1,021,655	817,300	835,965
Bangladesh	319,475	116,663	132,350	322,750	296,930	282,437
Thailand	17,209	5,838	7,251	17,044	12,467	13,547
Philippines	35,338	44,359	44,919	69,126	63,711	65,096
Pakistan	28,922	26,229	31,249	50,662	51,563	72,931
Myanmar	160,504	146,126	129,506	161,447	143,334	145,652
Nepal	251,416	258,497	304,717	385,466	490,297	502,596
India	95,112	87,399	93,761	124,017	105,188	139,751
Others	117,086	102,714	81,773	98,155	92,624	77,060
<b>Total</b>	<b>1,817,871</b>	<b>1,573,061</b>	<b>1,571,589</b>	<b>2,250,322</b>	<b>2,073,414</b>	<b>2,135,035</b>

Source: Economic Planning Unit (2016)

Table 2: Number of foreign workers by sector, Malaysia 2010-2015

Sector	Total					
	2010	2011	2012	2013	2014	2015
Maid	247,069	184,092	142,936	169,936	155,591	148,627
Manufacturing	672,823	580,820	605,926	751,772	747,866	450,364
Construction	235,010	223,688	226,554	434,200	411,819	745,131
Services	165,258	132,919	138,823	269,321	270,048	293,433
Agriculture/plantation	497,711	451,542	457,350	625,093	488,090	497,480
<b>Total</b>	<b>1,817,871</b>	<b>1,573,061</b>	<b>1,571,589</b>	<b>2,250,322</b>	<b>2,073,414</b>	<b>2,135,035</b>

Source: Economic Planning Unit (EPU) (2016)

Table 3: Determination of sample size based on group area

Lahad Datu Area			
No.	Estate Name	Population	Sample size
1.	Mensuli Estate	427	202 of foreign labours will randomly selected from this area
		(foreign labours)	
<b>Total sample size for this study =</b>			<b>202</b>

Source: SawitKinabalu (2013)

Table 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.771
Bartlett's Test of Sphericity	2930.632
Significance	0.000

Table 5: Total variances explained

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	6.133	22.716	22.716
2	3.549	13.143	35.859
3	2.666	9.874	45.733
4	2.173	8.047	53.780
5	1.629	6.032	59.812
6	1.315	4.869	64.680
7	1.135	4.204	68.885

Table 6: Summary of factor analysis on welfare and employment issues related to foreign workers

No	Variable	Value loading	Variance by factor (% of explained) Eigenvalues
<b>Competition with Indonesia</b>			
1	Gives higher amount of pay.	0.926	22.716 (6.133)
	Gives better employment.	0.953	
	Provides better welfare management.	0.935	
	Make you close with your family members.	0.943	
<b>Training provided</b>			
2	Require training before start working.	0.721	13.143 (3.549)
	Company give training before start working.	0.756	
	Training related to your job specification.	0.803	
	Satisfy with the training given.	0.810	
	Training based on in the job training.	0.675	
Training gives more benefit and knowledge to you.	0.635		
<b>Welfare management</b>			
3	Basic facilities (house, clinic and electricity).	0.786	9.874 (2.666)
	Medical leave and cost.	0.833	
	Transportation.	0.713	
	Safety equipment.	0.811	
Good working condition and environment.	0.580		
<b>Satisfaction with company</b>			
4	Satisfy with the welfare management provide by the company.	0.789	8.047 (2.173)
	Company treat you well.	0.823	
	Basic facilities sufficient.	0.807	
<b>Wage satisfaction</b>			
5	Wage paid is reasonable.	0.718	6.032 (1.629)
	Wage can maintain or support your family.	0.839	
	Accept and agree with the wage structure.	0.792	
<b>Minimum wage</b>			
6	If targeted productivity is lower, the amount of pay will be below RM800	0.804	4.869 (1.315)
	Minimum wage is reasonable.	0.715	
	Wage payment based on monthly rate.	0.305	
	Accept and agree with the minimum wage policy.	0.621	
<b>High cost of living</b>			
7	Basic wage payment is RM800.	0.662	4.204 (1.135)
	Education level for children (school).	0.534	