

same company is not required to obtain a new employment pass. His original employment pass will be amended to reflect the change in post.

- (ii) A new expatriate officer replacing another expatriate officer is required to obtain a fresh employment pass.
 - (iii) All employment passes are valid for the period of time as approved for the post, subject to a maximum of 10 years.
 - (iv) All holders of employment passes will be issued with multiple entry visas valid for the corresponding period that the employment pass is valid, subject to a maximum of 10 years.
- (b) For new investments (that is applications received between 1.10.1986 and 31.12.1990) where the foreign paid up capital is less than US\$2 million; and for companies licensed before 1.10. 1986.

The conditions for expatriate employment for the above companies are as follows:-

- (i) Key posts (for example, posts which can be held indefinitely by foreigners) can be considered for companies where foreign capital participation is approximately M\$500,000. This figure, however, is a guideline only and the number of key posts allowed, depends on the merits of each case.
- (ii) For executive posts which require professional qualifications and practical experience, expatriates may be employed up to a maximum period of 10 years subject to the condition that Malaysians are trained to eventually take over the posts.
- (iii) For non-executive posts which require technical skills and experience, expatriates may be employed up to a maximum period of five years subject to the condition that Malaysians are trained to eventually take over the posts.
- (iv) For industries, designated by the Government as priority industries, such as those which are labour-intensive and those manufacturing industries which are wholly export-oriented, the conditions (i), (ii) and (iii) above may be relaxed depending upon the merits of each case; provided that other companies that do not fall within any of the categories mentioned in this clause, may also be accorded similar privileges depending upon the merits of each case.

8. Applications for expatriate posts

Applications for expatriate posts (including key posts, executive and non-executive posts) can be submitted to the Malaysian Industrial Development Authority (MIDA) at the same time as the company's application for approval for its industrial project.

The above procedure applies for expatriate personnel required by the following:-

- (i) All companies which propose to establish new projects.
- (ii) All existing companies which propose to manufacture additional products (diversification of projects).
- (iii) All existing companies which propose to expand their production capacities (expansion of projects).

In the event that an applicant is unable to submit his requirements of expatriate personnel at the time of the submission of his application, he may submit his foreign personnel requirements at a later stage.

Existing companies which are not undergoing any expansion of product diversification but wish to apply for additional expatriate posts or to renew existing posts are to submit their applications to the Standing Committee on Malaysianisation through the Immigration Department as has been the practice in the past.

9. Labour policy and labour laws

It is the Government's policy to promote cordial employer-employee relations and industrial peace based on social justice, equity and good conscience so as to bring about a generally contented and productive labour force thereby ensuring a favourable climate for investment and sustained economic growth. With this objective in view, the provisions of the labour laws set out minimum standards to safeguard the interests and spell out the rights and responsibilities of employers and employees and provide a legal framework for orderly conduct of industrial relations.

10. Employment Act, 1955

The Employment Act, 1955 is the principal employment legislation regulating terms and conditions of employment. Among other things it sets out the minimum conditions of employment which include:

- (i) Ten paid gazetted public holidays in any one calendar year;
- (ii) Eight days of paid annual leave for employees with less than two years of service, 12 days of paid annual leave for those employees with two or more years of service but less than five years of service, and 16 days for those with over five years service;
- (iii) Fourteen to 22 days sick leave in a year depending on length of service and where hospitalisation is necessary, up to an aggregate of 60 days sick leave in each year;
- (iv) Normal hours of work shall not exceed eight hours a day or 48 hours a week;
- (v) Payment for overtime work at one and a half times the ordinary rate of pay.
- (vi) Payment of maternity allowance for female employees on maternity leave for 60 days at the ordinary rate of pay subject to a minimum rate of M\$6.00 per day.

11. Trade Unions Act, 1959

The Trade Unions Act, 1959 provides for the registration and administration of trade unions in line with the policy of Government to encourage the growth of democratic, healthy and responsible trade unionism, within the context of public and national interests. A trade union should confine its membership to employees within a particular trade, occupation or industry and should apply for registration upon its formation.

The Trade Unions Act provides sufficient safeguards against militancy or unlawful activities of trade unions. All trade unions are inspected periodically to ensure compliance with the law.

12. Industrial Relations Act, 1967

The Industrial Relations Act, 1967 provides for the regulations of relations between employers and workmen and their trade unions, and the prevention and settlement of trade disputes. Some of the main