UNIVERSITI TEKNOLOGI MARA

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

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Dissertation submitted in partial fulfilment of the requirements for the degree of Master in Plantation Industry Management

Faculty of Plantation and Agrotechnology

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I certify that a Panel of Examiners has met on 17th July 2014 to conduct the final examination of Nur Aziemah Binti Jasni on her Master of Plantation Industry Management thesis entitled "Welfare And The Employment Issues Related To Foreign Workers In Sabah: A Case Study Of Mensuli Estate" in accordance with Universiti Teknologi MARA Act 1976 (Akta 13). The Panel of Examiners recommends that the student be awarded the relevant degree. The Panel of Examiners was as follows:

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AUTHOR'S DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledge as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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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 the study area. The method that been used to obtain the data in this study was questionnaire distribution method and personal interviews. The questionnaire consisted four (4) sections the questionnaire format based on Likert Scale. The data were analysed by using factorial analysis. The factor analysis identified seven factors that lead to welfare and employment issues of foreign workers. The results showed that 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 have effects on welfare and employment issues of foreign workers in this study. It was found that most of the respondents know 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 younger generation to work in the plantation sectors.

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