



FMM Supports an Integrated, Digital, AI-Enabled and Affordable Foreign Worker Recruitment System

Kuala Lumpur, April 17, 2026 — The Federation of Malaysian Manufacturing (FMM) representing over 13,300 manufacturing and manufacturing supply chain companies, welcomes the Government's efforts to enhance the foreign worker recruitment system through greater digitisation and the adoption of artificial intelligence (AI), towards a more efficient, transparent, and seamless process.

FMM President Jacob Lee Chor Kok said the move towards digital and AI-enabled platforms is timely, as industry increasingly requires faster, more reliable, and demand-driven workforce solutions.

He noted that greater digitisation and the use of AI have the potential to reduce administrative burdens, improve job matching, and address inefficiencies in the recruitment process. Importantly, it can help remove friction across the entire labour supply chain from sourcing and selection to approval and deployment.

FMM emphasised that Malaysia already has established systems and processes in place, and any enhancements should build on these foundations to create a more integrated and coordinated end-to-end ecosystem for employers.

In this regard, FMM also stressed that any system enhancements should continue to uphold the principles of transparency, reduced reliance on intermediaries, and fair cost structures for both employers and workers.

FMM would welcome efforts to minimise intermediary involvement on both sides, thereby reducing the risk of forced labour incidences while enhancing transparency and integrity across the entire recruitment process.

Industry supports efforts to enhance the current system. The focus should be on strengthening integration, improving efficiency, and ensuring alignment across all relevant ministries and agencies, he said.

In this regard, FMM highlighted that a functionally integrated approach would be most effective, with the Ministry of Human Resources (KESUMA) leading the front-end workforce management component, including demand validation, job matching, and employer engagement, potentially supported by digital interfaces with source countries to improve the quality and suitability of worker selection.

At the same time, existing platforms such as the Foreign Workers Centralised Management System (FWCMS) can continue to play an important role in the back-end regulatory process, particularly in areas relating to security clearance, immigration control, and visa processing under the purview of the Ministry of Home Affairs (MOHA/KDN).

FMM noted that such an approach would enable a single, seamless system underpinned by strong data integration and governance, thereby improving predictability, efficiency, and workforce planning for industry.

While acknowledging the potential of AI to enhance job matching and overall system efficiency, FMM stressed that its effectiveness would depend on data readiness, system integration, and alignment with industry requirements.

Technology is an enabler. With the right data and integration, AI can help deliver a system that is efficient, transparent, and responsive to industry needs, he said.

At the same time, he stressed that improvements to the foreign worker recruitment system should go hand in hand with the proposed implementation of the multi-tier levy mechanism, which FMM has consistently supported as a more market-based and transparent approach to managing foreign worker dependency. A more efficient and trusted recruitment system, together with a properly designed levy mechanism, would better support industry needs while encouraging longer-term investments in automation, productivity enhancement and workforce transformation.

FMM looks forward to working closely with the Government to ensure that future systems are not only technologically advanced, but operationally grounded and sector-ready.



Mr Jacob Lee Chor Kok
President, Federation of Malaysian Manufacturing

FMM Advocates Transparency, Integrity, Accountability and No Corruption

About FMM

The Federation of Malaysian Manufacturing (FMM) (formerly known as Federation of Malaysian Manufacturers) has been the voice of the Malaysian manufacturing sector since 1968, advocating policies and initiatives that drive industrial growth, competitiveness and workforce development. Representing over 13,300 member companies (4,200 direct and 9,100 indirect) from the manufacturing supply chain, FMM is actively engaged with government and its key agencies at Federal, State and local levels. FMM is also well-linked with international organisations, Malaysian businesses and civil society. Apart from benefitting from FMM's advocacy, FMM members enjoy value-added services including training, business networking and trade opportunities as well as regular information updates.

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