

Courageous migrants self-organise to get out of forced labour – but they need more than code compliance from powerful buyers



Brands: NXP Semiconductors, ST Micro, Infineon, Vishay

Products: Mechatronic parts for semiconductor, LED & automotive industries

Factory: Possehl Electronics

Location: Melaka, Malaysia

Time: April 2019 – Nov 2021

For years, a group of migrants who worked at Possehl Electronics in Malaysia, a manufacturer of parts for semiconductors, tried to get appropriate remediation for being forced into illegal and unsafe work.

The migrants organised themselves to gather evidence about their employer, unlicensed outsourcing agency JS Global Services, They highlighted high fees charged for work permits, passport confiscation, late wages, illegal wage deductions and excessive overtime. An investigation done by Electronics Watch also corroborated their claims of violent threats from the agency, all indicators of forced labour.

Electronics Watch engaged Possehl buyers and the Responsible Business Alliance (RBA) with this evidence to seek remedy for the workers – and they were quick to act:

- Workers got reimbursements for illegal wage deductions.
- Workers received late wages.
- JS Global is no longer allowed to supply workers to Possehl.

The companies did much that was right, but, because they were only looking to their own codes of conduct to guide their actions in the remediation process, and this process did not involve the migrants, the workers weren't protected for the long-term.

Electronics Watch found the reimbursements appeared to be based on out-of-date minimum-wage calculations – a significant difference to a vulnerable, low-paid worker. The workers had no transparency on how the sum was calculated.

During their time at Possehl, many of the workers had tried to get legal status through a Malaysian government regularisation scheme. It was suggested this would help

people who had left unsafe workplaces but are then deemed illegal by the Malaysian government. However, the scheme collapsed with thousands of Malaysian Ringgit paid by hundreds of thousands of migrants in it. Payslips showed some Possehl workers had paid more than was required to join the scheme.

Some took this moment to return home – at further considerable expense to them – but Electronics Watch helped find these workers and RBA itself compensated them. Meanwhile, others mounted a legal challenge against JS Global and those involved with the scheme, but the case is stuck in limbo. One of the buyers said they would offer the remaining migrants new jobs, but the workers needed regularisation first.

The remaining workers were finally able to achieve legal status at the end of 2021 with support and guidance from civil society actors. On suggestion of Electronics Watch RBA committed to compensate these workers for their regularisation costs. "Finally I am safe in Malaysia," said one of the workers, adding that he could now support his family "to provide healthy things."

Electronics Watch believes that workers participating as equals with companies in the remediation process – following due diligence guidance of the OECD and the UN – results in more satisfactory outcomes for the workers.

Further reading:

[Electronics Watch: When Compliance is Not Enough](#)

[OECD Due Diligence Guidance for Responsible Business Conduct](#)

Spiegel article (pay wall) ["This is how poorly workers who make our computer chips live"](#)