

# Model Contract of Employment for Hiring of Indian Workers Other Than Domestic Workers

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This **CONTRACT** is made on this day..... month of ..... 20..... between..... (Hereinafter referred to as “the Employer”) of the one part and..... Passport No. .... and Birth Registration No. .... (Hereinafter referred to as “the Worker”) of the other part.

**WHEREAS** the Employer shall employ the Worker in accordance with the terms and conditions of this Contract and subject to the provisions of the relevant laws, regulations, rules, policies and directives of Malaysia.

## **IT IS HEREBY AGREED as follows:**

### **1. Duration of the Contract**

The duration of the Contract will be for a period of .....years commencing on the day of arrival of the Worker until such time the Contract is terminated in accordance with the terms and conditions of this Contract.

### **2. Wages**

2.1 The Worker will receive a basic wage of RM..... (Excluding allowances and overtime). This basic wage shall comply with the extant National Minimum Wage.

2.2 Wages will be paid by the Employer on a monthly basis not later than seventh day of the following month.

2.3 The payment of the monthly wages shall be made through a bank account.

### **3. Working Hours**

Working hours shall be eight (8) hours per day.

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## **4. Overtime**

In the event the Worker is requested to work in excess of his normal hours of work, he shall be paid in accordance with the labour laws in Malaysia.

## **5. Rest Day**

5.1 The Worker will be entitled to one day rest in each week.

5.2 In the event the Worker is requested to work on his rest day, he shall be paid in accordance with the labour laws in Malaysia.

## **6. Public Holiday**

6.1 The Worker will be entitled to public holidays in accordance with the labour laws in Malaysia.

6.2 In the event the Worker is requested to work on a public holiday, the Worker shall be paid in accordance with the labour laws in Malaysia.

## **7. Annual Leave**

The Worker shall be entitled to annual leave as in accordance with the labour laws in Malaysia

## **8. Levy**

The payment of levy shall be borne as stipulated by the Government of Malaysia

## **9. Medical and Accident Insurance**

The Worker will be insured under the Foreign Workers Compensation Scheme (FWCS) under the Workmen Compensation Act 1952 and if applicable Foreign Workers Health Insurance Scheme (SPIKPA).

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## **10. Deductions**

The Employer is entitled to make deduction for not more than 50% in a month from the Worker's wages in the event of any monetary advance in accordance with the labour laws in Malaysia.

## **11. Accommodation**

The Employer shall provide the Worker with reasonable accommodation with basic amenities.

## **12. Sick Leave**

The Worker shall be entitled to a paid sick leave in accordance with the labour laws in Malaysia.

## **13. Renewal of Worker's Visit Pass (Temporary Employment)**

13.1 The Employer shall renew the Worker's Visit Pass (Temporary Employment) three (3) months before the expiry date

13.2 Any penalty or compound due to the failure of the Employer to do so shall be borne by the Employer.

## **14. Air Passage**

The first travelling expenses from India to any agreed point of entry in Malaysia shall be borne by the Worker and the expenses from any agreed point of exit in Malaysia to India shall be borne by the Employer upon completion of contract.

## **15. Repatriation**

The repatriation cost of the Workers from their place of work to their original exit point in India shall be borne by the Employer under the following circumstances:

- (i) At the completion of Contract of Employment;

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- (ii) Termination of the Contract of Employment by the Employer;  
or,
- (iii) Termination due to non-compliance of the terms and conditions of the Contract of Employment by the Employer.

## **16. Termination**

- 16.1 In the event the Employer intends to terminate this Contract, the Employer shall give two (2) month's notice of his intention to terminate such contract or two (2) month's wages in lieu of notice to the Worker, and shall provide air fare to India for the Worker.
- 16.2 In the event the Worker intends to terminate this Contract, the Worker shall give two (2) month's notice or indemnify two (2) month's wages in lieu thereof to the Employer and the Worker shall bear the cost of air fare to India.

## **17. Restrictions**

- 17.1 The Worker shall not participate in any political activities or activities of those connected with political organizations in Malaysia.
- 17.2 The Worker shall not change employment during the contract period and shall not carry or do other business.
- 17.3 If the Worker is found, by the competent authority concerned, creating social problems or engages in any illegal, subversive or criminal activities, the Worker shall be dismissed from the job and shall be repatriated to India at worker's own expenses.
- 17.4 The (Visit Pass (Temporary Employment) of the Worker shall be revoked if the worker is involved in any marital knot in Malaysia.

## **18. Extension**

The Employer and the Worker may agree that the contract of employment may be extended, subject to any requirements

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under the laws of Malaysia imposed by the Government of Malaysia.

## **19. Safekeeping of the Passport**

19.1 The Employer shall not keep the passport of the Worker in his custody.

19.2 Notwithstanding anything contained in the paragraph 19.1, the Employer may be allowed to hold the passport for safekeeping if a written consent has been given by the Worker and the Worker may at any time withdraw his consent for such safekeeping.

19.3 In the event a dispute arises on the possession of the passport, where the Worker has earlier consented to the safekeeping of the Worker's passport by the Employer, the Employer shall immediately return the passport of the Worker to him.

## **20. Outstanding Wages**

The Employer shall pay all outstanding wages owed to the Worker should he be repatriated before completing the contract period for whatsoever reason.

## **21. Amendment**

The Employer and the Worker may amend the contract of employment to incorporate any other terms and conditions which shall be more favourable to the Worker.

## **22. Time is an Essence**

Time whenever mentioned shall be the essence of this Contract.

## **23. Interpretation**

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In the event of a conflict of interpretation between the English text and any text in other language used in this Contract, the English text shall prevail.

**24. Laws**

This Contract shall be subjected to the laws of Malaysia.

**25. Succession**

This Contract shall be binding of the successor in title assigns personnel, representatives of the parties hereto.

**IN WITNESS WHEREOF** the parties hereto have signed this Contract on the day and year mentioned at the beginning of this contract.

..... (Employer's Signature)	..... (Worker's Signature)
Name:	Name:
NRIC No.	Passport No.
Address:	Emergency contact No.
	I hereby declare details of my next of kin:
	Name:.....
	Address:.....
	Contact No.....
..... (Signature of Witness from Employer)	..... (Signature of Witness from Worker)
Name:	Name:
Address:	Address:

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