

Chinese Migrant Workers in Singapore: An Analysis Based on Interviews

Lin Mei
Xiamen University

Abstract

From 1985 onwards, Chinese migrant workers went to work in Singapore in the form of labour service for foreign contracted projects. Singapore is now a major receiving country for Chinese migrant workers. The number of Chinese migrant workers in Singapore is estimated to be about 200,000. Most of them work in construction, manufacturing, maritime and service industries. They come to Singapore mainly through recruit agents after paying huge commission. They face multifarious problems and risks stemming from system flaws, market disorder and the Chinese migrant workers' weak position.

Keywords: *Chinese migrant workers, Singapore, labour service, overseas employment*

1. Introduction

There are many migration theories such as the traditional “push-pull” theory, migration theory of neoclassical economics, new economics of migration theory, segmented labour market theory, world systems theory, migration network and migration systems theory which mainly explored the reason why international migration occurs. Additionally, many researchers have focused on immigration and emigration policy of labour migration. In recent years, there has been a growing emphasis on universal human rights that would accord to all persons, regardless of their citizenship, basic rights to due process, personal security, equality, and economic and social rights (Nickel, 1980; Tomasi, 1983; Stahl, 1999; Wickramasekera, 2000; Piper, 2004).

Dr **Lin Mei** 林梅, Associate Professor and Deputy Dean, Faculty of International Relations and Research School of Southeast Asian Studies, Xiamen University, Fujian Province, China. Email: mclin@xmu.edu.cn

However, not much work was done to understand the working and living situations of Chinese migrant workers in Singapore. A thesis entitled “A Study of Chinese Migration to Singapore 1896-1941” written by Joyce Hong-geok Ee (1959) had discussed the situations of Chinese migrants in Singapore, the emigration factors and its effect on China and Singapore during 1896-1941. Xiang (2006) discussed China’s migration management policies from the view of origin countries, which included six issues such as exit control, diaspora policy, student migration, labour export, regulations on emigration agencies and the government’s response to human smuggling. Low, Liu and Soh (2008) explored the problems of Chinese foreign workers in Singapore’s construction industry based on questionnaire survey.

The term “migrant worker” has different official meanings and connotations in different parts of the world. The United Nations Convention (1990) on the Protection of the Rights of All Migrant Workers and Members of Their Families defines migrant worker as follows: the term of “migrant worker” refers to a person who is engaged or has been engaged in a remunerated activity in a state of which he or she is not a national.¹ OECD further defines foreign migrant worker as: “foreign migrant workers are foreigners admitted by the receiving state for the specific purpose of exercising an economic activity remunerated from the receiving country. Their length of stay is usually restricted as is the type of employment they can hold”.² The term “Chinese migrant workers” in this paper just refers to the OECD definition of foreign migrant workers with “foreigner” replaced by “Chinese”.³

Beginning from 1985, Chinese migrant workers came to work in Singapore in the form of labour service for contracted projects. Singapore is now a major receiving country for Chinese migrant workers. But there are still lots of myths about Chinese migrant workers in Singapore because the Singapore government has never made public data about the number of Chinese migrant workers in Singapore. How many Chinese migrant workers are staying in Singapore now? What problems do they face? Why do they encounter such problems? This paper will attempt to answer the abovementioned questions.

This research especially pertaining to the problems facing Chinese migrant workers in Singapore is mainly based on the author’s interviews with Chinese migrant workers in Singapore who were facing problems and went to the Chinese embassy in Singapore to ask for help, and those who were interviewed by the author on construction sites, shops, restaurants and public places. Some cases were collected from the reports in Singapore’s local newspapers such as *The Straits Times*, *Lianhe Zaobao*, *The New Paper* and *Today*.

2. Number and Occupations of Chinese Migrant Workers in Singapore

The accurate number of Chinese migrant workers in Singapore is still a puzzle to scholars and even to the Chinese government, but may not be so to the Ministry of Manpower of Singapore. The Ministry of Manpower of Singapore has never publicized the number of Chinese migrant workers in Singapore because of political or social consideration. What I can do here is to estimate according to some facts and data from the Ministry of Commerce of China and the China International Contractors Association.

According to the data from the Economic and Commercial Counselor's office of the Embassy of the People's Republic of China in the Republic of Singapore, Singapore has been the largest market of labour service and the second largest market of foreign contracted projects of China for many years⁴ and now ranks the second largest market of foreign labour service following Japan. According to the statistics of the Ministry of Commerce of China, the number of Chinese migrant workers in Singapore under the term of labour service is about 100,000 and most of them work in construction, manufacturing, maritime and services like waiter or waitress at food courts (*Annual Report on China International Labor Cooperation (2007-2008)*, p. 33.). For instance, the industrial composition of Chinese migrant workers in Singapore in 2007 is as follows: 39,378 in construction, 29,388 in manufacturing, 3,405 in agriculture, husbandry and fishing, and 8,076 in transportation (*ibid.*: 11). Furthermore, there are more and more Chinese migrant workers as aircraft maintenance personnel, electric workers, nurses and kindergarten teachers. The number of Chinese migrant workers in Singapore in the form of labour service increased from 2,454 in 1990 to more than 73 thousand in 1999 (Yin, 2002) and 100 thousand in 2007 (*Annual Report on China International Labor Cooperation (2007-2008)*, p. 33; see Table 1). At the same time, the contract value and turnover of labour service cooperation with Singapore increased year by year (see Table 2).

We should note here that the number and turnover of Chinese migrant workers in Singapore derived from the Ministry of Commerce of China shown above are only referring to the number of Chinese migrant workers in Singapore through the Operating Companies of Labor Service in the form of labour service and do not include all Chinese migrant workers in Singapore through the channel of the Intermediary Agencies for Overseas Employment and other ways.⁵ If all factors are included, it is estimated that the conservative stock number of Chinese migrant workers in Singapore via all channels may reach about 200,000. It follows that Chinese migrant workers in Singapore may occupy 22.2 per cent of the total amount of 900,800 foreign workers in Singapore in 2007. The estimation on the number of Chinese migrant

Table 1 The Number of Chinese Migrant Workers in Singapore in the Form of Labour Service (person)

		2005	2006	2007
Total	Number of migrant workers to Singapore in that year	25,802	31,320	29,200
	Number of migrant workers still in Singapore at the end of the year	74,682	84,713	100,000
Labour service to contracted project	Number of migrant workers to Singapore in that year	277	10,691	4,200
	Number of migrant workers still in Singapore at the end of the year	991	20,688	20,000
General labour service	Number of migrant workers to Singapore in that year	15,606	20,629	25,000
	Number of migrant workers still in Singapore at the end of the year	19,921	64,025	69,000
Labour service to design consultant	Number of migrant workers to Singapore in that year	0	0	0
	Number of migrant workers still in Singapore at the end of the year	14	0	0

Source: The Ministry of Commerce of China, edited by author.

Table 2 Contract Value and Turnover of China's Labour Service Cooperation with Singapore (US\$ billion)

Year	Contract Value	Turnover
1976-2001	34.98	32.34
2002	2.19	5.46
2003	2.58	4.29
2004	2.18	4.29
2005	2.62	3.98
2006	2.8	4.2
2007	4.2	4.5

Source: The Ministry of Commerce of China.

workers in Singapore is based on the following factors: a) the number of Chinese migrant workers in Singapore through the Operating Companies of Labor Service Cooperation in 2007 already reaches about 100,000; b) usually Chinese migrant workers have one to three-year labour contracts with their employers – mostly two-year labour contracts – and this means that Chinese migrant workers may stay and work in Singapore for two years, though some Chinese migrant workers got renewal of labour contracts after former labour contracts end; c) there is another group of Chinese migrant workers to Singapore through the Intermediary Agencies for Overseas Employment in China; d) together with one group of Chinese migrant workers through informal employment agencies⁶ or by migrant workers themselves; e) some Chinese migrant workers stay in Singapore without valid work pass.

3. Channels of Chinese Migrant Workers Entering Singapore

How do Chinese migrant workers enter Singapore to work? In other words, by what ways do Chinese migrant workers come and work in Singapore? This question is related to China's management system of Chinese working abroad. The Chinese authorities do not have a single blanket policy covering all categories of emigrants such as student emigration, residential emigration and labour export. The distinct feature of the management system of Chinese working abroad is the system of classified management. The Chinese government classifies Chinese working abroad into two types, supervised by various administrative departments.⁷ One is called as "foreign labour service cooperation"; the other is called "overseas employment". Foreign labour service cooperation refers to the economic activities that domestic enterprises conclude contracts with foreign or overseas companies, intermediary institutions or private employers which are permitted to recruit or employ foreign workers, and recruit, select and dispatch Chinese citizens abroad (or out of the mainland) in an organized way to provide foreign employers with labour services pursuant to the contractual stipulations, carry out the management accordingly in accordance with the Provisions on the Measures for the Administration of Operation Qualification of Foreign Labor Service Cooperation. The enterprises that get the Operation Qualification of Foreign Labor Service Cooperation and Credentials of Labor Service Cooperation from the Ministry of Commerce are called the "Operating Companies of Labor Service Cooperation". "Overseas employment" refers to the employment activities in which Chinese citizens sign labour contracts with overseas employers, provide work abroad and get remunerations for their work. The intermediary activities for overseas employment refer to the activities of providing relevant service for Chinese citizens' overseas employment or overseas employer's employing of Chinese citizens to work

abroad. The agencies that are approved to engage in such activities are the “Intermediary Agencies for Overseas Employment”. The activities of foreign labour service cooperation are supervised by the Ministry of Commerce. The activities of overseas employment are supervised by the Ministry of Labor and Social Security. The differences between them are: 1) foreign labour service cooperation is operated by the Operating Companies of Labor Service Cooperation which have Operation Qualification of Foreign Labor Service Cooperation and Credentials of Labor Service Cooperation from the Ministry of Commerce, and foreign labour service cooperation is the profit-making performance of companies and is considered to belong to trade and economic cooperation; 2) overseas employment is considered as the behaviour of individual citizen and is not included in trade and economic cooperation by the Chinese government. In fact, it is very difficult to differentiate them in practice. In other words, there is no difference between them in the eyes of receiving countries.

So there are four ways for Chinese citizens to come and work in Singapore. The first way is through the Operating Companies of Labor Service Cooperation. The second way is through the Intermediary Agencies for Overseas Employment. These two ways are the major channels for Chinese emigrant workers to work abroad including Singapore. The third way is through those employment agents and middlemen that have no Operational Qualification Certificate of the People’s Republic of China for Labor Service Cooperation with Foreign Parties or the Intermediary Agencies for Overseas Employment that are issued and granted by the Chinese government. This is considered illegal in China. The fourth way is through migrant workers themselves. The third and fourth ways are possible because it is very easy for Chinese to go abroad now as long as they have passports and visa (any kinds of visa) or In-Principle Approval (IPA) under China’s current exit-entry management system.

4. Amount of Agent Commission and Ways of Payment by Chinese Migrant Workers in Singapore

The amount of agent commission and ways of payment vary case by case. According to this author’s investigation and interviews, the amount of agent commission paid by Chinese migrant workers ranges from RMB18,800 to RMB65,000. The agent commission charges are based on the salary which Chinese migrant workers may make in Singapore. The higher the salary of the Chinese migrant workers make in Singapore, the higher the agent commission the agent charges. Among 50 Chinese migrant workers with work permit I investigated, only one person paid less than RMB20,000, 5 persons between RMB20,000 and 30,000, 18 persons between RMB30,000 and 40,000, and

Table 3 Distribution of Chinese Migrant Workers in Term of Commission (person)

<RMB20,000	≥RMB20,000 and ≤RMB30,000	>RMB30,000 and ≤RMB40,000	>RMB40,000 and ≤RMB50,000	>RMB50,000 and ≤RMB65,000
1	5	18	19	7

Source: Counted by author according to field studies.

19 persons between RMB40,000 and 50,000, 7 persons between RMB50,000 and 65,000 (see Table 3). The number of Chinese migrant workers who paid commission between RMB30,000 and 40,000 occupies 36 per cent and the number of Chinese migrant workers who paid commission between RMB40,000 and 50,000 occupies 38 per cent of the total of 50 Chinese migrant workers.

There are three ways of paying commission by Chinese migrant workers to recruit agents. The first, Chinese migrant workers pay all commission to China's agent one time. The second, Chinese migrant workers pay commission to China's agent and Singapore's agent separately. They pay commission first to China's agent before leaving for Singapore and to Singapore's agent at the moment of arriving in Singapore. The third, Chinese migrant workers pay part of the commission first to China's agent and pay the remaining commission by deduction from wage or pay all commission by deduction from wage. For instance, a Chinese construction worker should pay RMB19,000 (S\$4,000) to China's agent in total as commission, but he did not pay before leaving for Singapore because he could not afford to do so all in one time. So China's agent commits Singapore's employer to deduct S\$200 from his salary per month for 20 months during the two-year contract. Furthermore, he will pay additional commission of about RMB9,500 (S\$2,000) to the agent if he extends one more year after the two-year contract.

5. Problems and Risks Faced by Chinese Migrant Workers in Singapore

There are always barriers between dream and reality. Some Chinese migrant workers realize their dreams and make money back their hometown, but some have their dreams shattered in Singapore. There are lots of problems faced by Chinese migrant workers in Singapore, especially for those Chinese migrant workers who hold work permit. I sum up all cases which I collected through interviews with Chinese migrant workers (at food courts, at shops, on airplane, at the Chinese embassy in Singapore), through talking with NGOs

such as TWC2 and HOME, and through collecting the data from newspapers and Internet into following aspects.

5.1. Money Affairs

5.1.1. Losing job within contract duration

a) because of factory or company bankruptcy

Case 1: In July 2002, Singapore United Plastic Factory went bankrupt. About 30 Chinese migrant workers at that factory lost job and failed to get salary of average S\$2,500 per person. Some had been working at the factory for 15 months at the longest and some had only been working half a year at the shortest. Fifteen of them came from Fujian province through two individuals as intermediary agents with payment of RMB55,000 each as intermediary service charges, the other 10 came from Liaoning province through China Shenyang International Economic & Technical Cooperation Corporation and Changchun Municipal Academy of Architecture Design as intermediary agencies with payment of RMB35,000 as intermediary service charges.

These Chinese migrant workers complained to the Singapore office of the China International Contractors Association and hoped to get help. The Singapore office of the China International Contractors Association and the Chinese embassy in Singapore tried their best to help these Chinese migrant workers to get back salary and part of the intermediary service charges through negotiation with the Ministry of Manpower of Singapore, insurance company, Singapore's employment agencies, and China's employment agencies. Finally, those Chinese migrant workers, who were dispatched through the qualified Operating Companies of Labor Service Cooperation, namely China Shenyang International Economic & Technical Cooperation Corporation, obtained RMB5,000 compensation each from China Shenyang International Economic & Technical Cooperation Corporation, S\$1,000 from Singapore's employment agencies and S\$1,100 together with one-way airplane ticket back to China from insurance company; but those Chinese migrant workers who were dispatched through individuals obtained little compensation.⁸

b) because of disputes in salary, welfare, working time, working affairs, etc.

The labour contract has a clause that there is a three-month probation/trial period for employees. The employer can dismiss an employee if he or she is not satisfied with the performance of the employee. Under this circumstance, Chinese migrant workers will be likely to lose job and may go back home soon. They may just get a few intermediary service charges back or even not get any charges back in some cases if they are dispatched through illegal intermediary agencies. Some Chinese migrant workers were dismissed

after working for only one week partly because of their bad performance or inadaptation and partly because of employer's nitpicking.

Case 2: For instance, a Chinese lady was dismissed by her employer after working for only one week because of fighting with the manager owing to work disputes. It is not clear whose fault it was, but the outcome is that the Chinese lady went back to China and did not get any compensation from the employment agency. She suffered big loss in money including intermediary service charges, training fee and travel cost.

c) even because of malicious cheating by employment agency or jointly by employer

Case 3: Liu (male) has worked at a repair depot in Singapore for only two months. He paid RMB20,000 to China's employment agency and wrote a debt note of about RMB60,000 to it as well. That meant the employment agency would charge a total amount of RMB80,000 as intermediary service charges. He was promised by the employment agency to make about S\$2,400 salary per month and got an English version of the contract before he came to Singapore. But when he arrived at the Singapore airport, a man who claimed himself as the representative of Singapore's employment agency took away the English contract and passport from Liu, saying that he could not arrange any job for Liu if Liu did not give him the contract. Subsequently he was sent to a repair depot and only had S\$750 salary per month. Even so the Singapore employment agency still asked Liu to pay another RMB20,000 as intermediary service charges and even said that they did not make any money at all from him. Liu did not agree to pay any fee to that employment agency. Finally he lost the job and his work permit was cancelled by his employer. Liu did not even know where the office of the employment agency was located and could not reach the man from the employment agency at all in the end.

d) because of falling ill during contract period

Case 4: There were 3 Chinese girls from Jilin province. They worked at a KTV for one and a half years from December 2006. They shared a flat with other colleagues, which the employer provided to them. Unluckily they caught pneumonia because they were infected by their roommates and their work permits were cancelled by the Ministry of Manpower of Singapore because of pneumonia. That meant they had to go back home even though the labour contract was not yet due. They claimed that they did not make enough money to cover about RMB42,000 agent commission. Their employer argued that it was not his fault and did not want to take any responsibility for this case.

e) because of uncertain and irregular work and pay

For some Chinese migrant workers like construction workers, their wages are composed of piecework wage. They work some days and take rest some days because the employer cannot provide enough work for them. Their working time is uncertain and irregular. That means their salary is uncertain and irregular. So in this case, they cannot make enough money to cover their commission payment, to say nothing of making money back to China.

5.1.2. Salary deduction and late payment of salary

Case 5: Li Fei came to Singapore in January 2008 with a contract in hand promising him S\$2,501 a month to cook at a restaurant. When he got to the restaurant, he was put to work waiting tables. When he received a pay cheque, he was asked to repay his employer “living expenses” and finally had only S\$800 left. Many Singapore companies in the food and beverage industry use similar tactics to get around hiring quotas and levy for work permit and S-pass holders.⁹

Case 6: Mr Li Bingxin came to Singapore from Shandong province in March 2007 after paying an agent RMB30,000 and worked as a cook at a Chinese restaurant at Geylang in Singapore. He claimed the employer had agreed to pay him S\$2,500 a month but did not pay him regularly from the start in fact. The employer gave him money every now and then. At the end, he only got S\$5,500 in total and was owed S\$18,000 by the boss after 8 months’ work. He left the employer with the hope of getting a new job. When another restaurant was willing to hire him, the former employer refused to cancel his pass, which is required by law when Work Pass holders change employers. He filed complaint with the Ministry of Manpower and turned to get help from HOME (Humanitarian Organization of Migration Economics). In the period of investigation of the Ministry of Manpower, he had no job, no money and no place to stay.¹⁰

5.1.3. Paying performance guarantee deposit (security deposits)

Before 2003, the Operating Companies of Labor Service Cooperation in China had the right to collect performance guarantee deposit which was not more than about 20 per cent of the total amount of earning for each Chinese emigrant worker in order to guarantee Chinese emigrant worker to fulfill the responsibility in the labour contract and be back to China in time. With the more open and encouragement policy taken by the Chinese government, the Ministry of Finance and the Ministry of Commerce began

to implement a new policy of shifting from performance guarantee deposit to performance guarantee insurance on 29th October 2003. In fact, some of the Operating Companies of Labor Service Cooperation in China are still collecting performance guarantee deposit from the Chinese emigrant workers as a method of controlling Chinese emigrant workers to come back home in time by means of changing the term “performance guarantee deposit” into “savings” in labour service contract. On the other hand, the employers in Singapore collect performance guarantee deposit from Chinese migrant workers as well and directly deduct from the monthly salary. In this case, whether Chinese migrant workers get performance guarantee deposit back mainly depends on the Operating Companies of Labor Service Cooperation and the employer. There is a space for disputes to arise on performance guarantee deposit among Chinese migrant workers, employment agencies and employers, and it is even used to be one of the methods of cheating money by some bad employment agencies and the employers. Moreover, some employers in Singapore shift security deposits which are submitted to the Ministry of Manpower of Singapore by employers to Chinese migrant workers.

5.1.4. No transparency on salary

Some interviewees told me they did not know how their monthly salary was calculated because their monthly salary was always different. Especially for construction workers, the monthly salary was composed of piecework wage. A construction worker told me his monthly salary floated about S\$100-200 around S\$1,100 and the monthly salary of the members of the same group (team) was different. There was no salary slip. No one told him how the monthly salary was calculated even when he asked.

5.1.5. Losing remittances

Chinese migrant workers usually remit money through remittance agent instead of through a bank because remittance agent provides higher exchange rate and charges less commission than a bank. But the problem is that it is more risky. The following incident of losing remittance which happened in 2002 was a very typical case. A remittance agent in Geylang was suddenly closed on 26th January 2002 and misappropriated about S\$8.77 million from more than 1,000 Chinese migrant workers. The victims were from all walks of life, male and female, and the value of their remittance varied from 1 or 2 thousand to 60 thousand in Singapore dollars.¹¹ Even though the proprietor was sentenced to 22 years of imprisonment, the victims lost the majority of their hard-earned money.

5.2. Identification Documents like Passport and Work Permit Being Confiscated by Employer or Employment Agency

Identification documents of the Chinese migrant workers I interviewed were taken away by employers or employment agencies shortly after they arrived in Singapore. It has become a way in that the employers and employment agencies manage and control Chinese migrant workers. Some Chinese migrant workers only have a copy of work permit. Chinese migrant workers are under the strict control of employers and employment agencies without valid identification documents during their staying in Singapore.

5.3. Well-being or Welfare Affairs

5.3.1. Overtime work

A construction worker whom I interviewed at the Chinese embassy told me that he worked 84 hours per week. He worked from 8:00 a.m. to 12:00 a.m. in the morning and from 1:00 p.m. to 7:00 p.m. in the afternoon every day (7 days a week) with another 2.5 hours work in 4 nights per week. His monthly salary was about S\$1,000. Of course, there were other problems with him like no pay of 3 months salary and salary deduction. Another case is about an assembly-line lady whom I met on airplane from China to Singapore. She works from 7:30 a.m. to 12:45 a.m. in the morning, and from 1:15 p.m. to 5:00 p.m. in the afternoon, and then from 5:30 p.m. to 8:00 p.m. in the evening every working day with Sunday off work per week. Her total working hours per week are about 67.8 hours. Therefore, the construction worker overworked 32.1 hours more than average weekly hours (about 51.9 hours) in construction in 2006 and the assembly-line lady overworked 17.3 hours more than average weekly hours (about 50.5 hours) in manufacturing in 2006.¹²

5.3.2. Insufficient food or bad-quality food

This case often happens in occasions that the employer provides food for workers with either no pay or payment of fixed sum of money back to the employers by Chinese workers. In Case 5, Li Fei alleged that his meals were sub-standard. "We got the yellowing vegetables that they could not serve to guests, and meat, such as the duck's head, that was a day old".¹³

5.3.3. Bad accommodation

Bad accommodation includes cases where many persons are staying in a room with windowless, bad sanitary condition, or a place not suitable to live in, etc. Li Fei in Case 5 claimed that he was housed in a small, windowless

room at the back of the restaurant packed with about 20 workers, when he was interviewed by a reporter of *The Straits Times*. A Chinese worker complained to the Chinese embassy that he was housed in a room packed with 21 persons and his whole body was full of red spots because of being bitten by mosquitoes. This problem is very common for Chinese migrant workers in Singapore. The deciding reason is for saving cost either by employers or workers themselves.

5.4. Physical Abuse

There are a few cases where Chinese migrant workers in Singapore encountered physical violence or sexual harassment.

5.5. Inadaptability of Working and Living

5.5.1. Language

Although comparing with other countries, Singapore is a bit more suitable to Chinese migrant workers. But English is the official and working language in Singapore after all. It is still a problem especially for those Chinese workers who work at service sectors such as food courts, coffee shops and fashion shops. Many Chinese workers working at service sectors have only graduated from high school and find it hard to communicate with their customers in English. That is one reason why Singaporeans complain that they get low quality service at food courts or shops. Some customers reported to the newspaper that they had a confrontation with Chinese migrant workers due to language barriers.¹⁴

5.5.2. Eating habit

Most of the Chinese migrant workers ate at the food courts which provide various types of food. For tourists, it is no problem to eat at food courts and it should be delicious. But for Chinese migrant workers who live in Singapore for one to three years, it is difficult for them to eat at food courts every day. Some interviewees told me that the majority of landlords do not allow them to cook any food, even instant noodles, at home.

5.6. Psychiatric or Psychological Problems

Many Chinese migrant workers feel homesick, alone and isolated. After all, Singapore is not their hometown and they came with different cultures from their hometowns. Chinese migrant workers face a completely new and different working and living environment and have to start from scratch, with

neither friends nor relatives there. For instance, some Chinese construction workers I interviewed live in construction sites where there are no air-conditioning and TV. They are not allowed to play cards and drink beer, wine or alcohol. The only things they can do as leisure activities are chatting, sleeping, listening to radio and going out for walking.

Among all the problems mentioned above, money problem is the biggest one faced by Chinese migrant workers. The biggest risk for them is being cheated or dismissed during the period of the labour contract because they pay huge amount of intermediary service fee to agents.

6. Reasons Why These Problems Are Faced by Chinese Migrant Workers in Singapore

The reasons are multifaceted, being related to and having arisen from the system, the market and the Chinese migrant workers' weak position *vis-à-vis* the employment agencies and employers.

6.1. System Flaws

Looking at the Chinese side, multi-ministry management is a factor that is creating problems. As discussed above regarding China's management regime on Chinese migrant workers to Singapore, there is no special law for the export of Chinese workers at present and several ministries are involved in managing the export of Chinese workers. Theoretically speaking, the Chinese government carries out classified management in accordance with two types of Chinese emigrant workers, namely foreign labour service cooperation and overseas employment. If the Chinese emigrant workers were sent by the Operating Companies of Labor Service Cooperation in the forms of foreign aid, foreign contracted projects, general labour service, design consultation, outward investment and trainee programme, they are considered as labour service and are included in the statistics of labour service. If the Chinese emigrant workers are sent by intermediary agencies or go out by themselves, they are not considered as foreign labour service and are not included in the statistics of foreign labour service because it is considered as individual behaviour of Chinese citizens. In fact, these two activities of Chinese emigration to work abroad are the same things for the labour receiving countries. Multi-ministry management on Chinese working abroad may result in the following flaws:

- 1) The Ministry of Commerce and the Ministry of Labor and Security issued different regulations on the management of Chinese emigration to work abroad separately, and some provincial governments like Shanghai and

Sichuan issued their own regulations according to these two ministerial regulations. These regulations are sometimes even mutually incompatible and make the employment agencies more confused.

- 2) The Ministry of Labor and Security set lower requirements for the intermediary agencies for overseas employment than the Ministry of Commerce. From 1992 onwards, the Ministry of Labor and Security set a set of unified standards applying to the Intermediary Agencies for Overseas Employment. Later, the Ministry of Commerce issued a new regulation in 2004, which allowed any type of firms, no matter private, state-owned or foreign firms, to apply for establishing the Operating Companies of Labor Service Cooperation as long as the companies satisfy the standard qualification required by the Ministry of Commerce.¹⁵ Therefore, there are numbers of the Intermediary Agencies for Overseas Employment and the Operating Companies of Labor Service Cooperation emerging like mushrooms after rain from 2002 onwards. It makes the market of foreign labour service more competitive. The consequence of over-competition among China's agencies is that most benefit or profit comes to Singapore agencies. According to the words of a staff at a China's agency I had interviewed, 70 per cent to 80 per cent of total intermediary commissions come to Singapore's agencies because Singapore's agencies will cooperate with those China's agencies that transfer more commission to them. For instance, China's agency usually makes RMB5,000 to 7,000 of profits from about RMB35,000 of commission per emigrant worker, but Singapore's agency makes about RMB25,000 of profits. This follows the "principle of buyers' market" where the buyers have stronger bargaining power than the sellers in buyer's market.
- 3) Easy exit control system for Chinese migrant workers to Singapore. Just as mentioned above, Chinese migrant workers leave China and come to Singapore with only valid private passports and In-Principle Approval (IPA) for work permit. This system brings convenience to Chinese migrant workers to Singapore, but at the same time it also gives much convenience to those malicious employers and informal employment agencies for their fraud because it is possible and easy for those informal agencies and individuals in China to do foreign labour service as long as they can get IPA from the Ministry of Manpower of Singapore for Chinese migrant workers. That is why so many informal agencies and even individuals involve in foreign labour service in China. It results in market disorder of foreign labour service in China.

Now looking at the Singapore side, there are some flaws with the Singapore immigration policy on migrant workers.

Firstly, quota and levy system do good to Singapore, but they are not good to migrant workers. Some employers take quota (MYE on construction industry) as a way of profit-making through the resale of MYE. Some employers try to transfer levy to foreign workers by any means and even taking the risk of breaching the law. Furthermore, the migrant workers get lower salary than Singaporeans in the same occupation because the employers need to pay work levy to the government besides salary if they want to hire foreign workers.

Secondly, the employer has authority to apply for work pass for foreign workers and has the authority as well to cancel the work pass easily without consulting with the foreign workers or getting confirmation from the foreign workers. This may result in two consequences:

- 1) The employers may dismiss foreign workers momentarily, easily and optionally with any excuse. Many cases brought to the Chinese embassy show that Chinese migrant workers lose jobs because of tiny fault or different opinion with their employers and some do not even know when the work pass is cancelled. In this occasion, there is no loss for the employer, but the Chinese workers will suffer huge loss of intermediary charges and other costs like proceeding passport, physical examination and training. Chinese workers are forced to leave Singapore within 7 days after the cancellation of work pass.
- 2) This regulation is easy to be used as a way to cheat for those malicious employers and employment agencies.

The system flaws also result in another consequence. That is the disorder of the labour service market.

6.2. Disorder of Labour Service Market in China and Singapore

In China, disorder of foreign labour service market is in the forms of irregular performance of formal agencies' and informal agencies' involvement in labour service. There are 2,196 Operating Companies of Labor Service Cooperation with qualification certificate from the Ministry of Commerce¹⁶ and 501 Intermediary Agencies for Overseas Employment with qualification certificate from the Ministry of Labor and Security up to 8th July 2008¹⁷. These Operating Companies of Labor Service Cooperation and Intermediary Agencies for Overseas Employment are considered as legal agencies or formal agencies that can operate foreign labour service with foreign parties by the Chinese government. Among these formal agencies, some operate irregularly and bring about losses to Chinese workers. The irregular performance of formal agencies which are either the Operating Companies of Labor Service

Cooperation or Intermediary Agencies for Overseas Employment may come up in the forms of the following cases: a) cheated because of no confirming of the legality of foreign employers and foreign employment agencies; b) no signing of labour service contracts with Chinese workers or signing of non-standard labour service contracts without all required clauses which protect the benefits and rights of Chinese workers; c) authorizing individuals or other unregistered employment agencies to recruit workers or multi-layer commission (层层委托); d) even counterfeiting labour service projects together with foreign employers or foreign employment agencies at the risk of having the Qualification of Operating Foreign Labor Service being cancelled by the Ministry of Commerce of China.

Moreover, the involvement of many informal agencies like the education agencies and consultancy companies in foreign labour service exacerbates the disorder of the foreign labour service market. These informal agencies compete with formal agencies through irregular or even illegal means. They always promise orally attractive conditions like high salary and good accommodation to Chinese migrant workers and charge high intermediary commission without giving any receipt or without signing contract with Chinese migrant workers. Many Chinese workers were thus cheated.

In Singapore, the disorder of the labour service market is in forms of following aspects:

- 1) The employers receive payment as consideration for employing foreign workers and recovering employment-related costs such as the levy and security bond from foreign workers. With more competition and distortion in the labour service market in Singapore, the employment agencies in Singapore are willing to pay the employer S\$2000 to 3000 for hiring each Chinese migrant workers, as reported by *The Straits Times* (11th April 2008) and *Lianhe Zaobao*. These rebates come from the intermediary commissions paid by foreign workers. It is a transfer of cost from employment agencies to foreign workers, just as a Chinese saying goes: "After all, the wool still comes from the sheep's back. In the long run, whatever you are given, you pay for".
- 2) There are some employers and employment agencies which make money through frequently changing or firing foreign workers because the employers can receive kickbacks from the employment agencies and the employment agencies can get big sum of intermediary commission from foreign workers. Some employment agencies act as the employer at the same time in order to make money by means of hiring foreign workers and then firing them quickly. Some Chinese workers are fired by employers just after some days or one week based on some excuse, usually on the ground of inadaptation.

Here is an extreme case where Singapore's employment agency tricks Chinese workers. A Chinese worker, Mr Yu, came to Singapore on 11th March 2008 and was arranged to live in Little India by a Singapore employment agency, and was told by the agency to wait for a job. Mr Yu got his work permit on 14th April, but he did not get a job until 20th May. Then his friend checked his work permit for him from the website of the Ministry of Manpower of Singapore and found that his work permit had been cancelled on 28th April on the ground that Mr Yu had not yet gone to work according to the claim of the agency. Then on 22nd May Mr Yu went to the Ministry of Manpower of Singapore to report the fact. The Ministry of Manpower told him that he had better consult with the agency first, but Mr Yu was arrested by police on 23rd May because the agency reported to police that Mr Yu stayed in Singapore illegally. Finally, Mr Yu was judged not guilty and was released by the court after 28 days of detention.

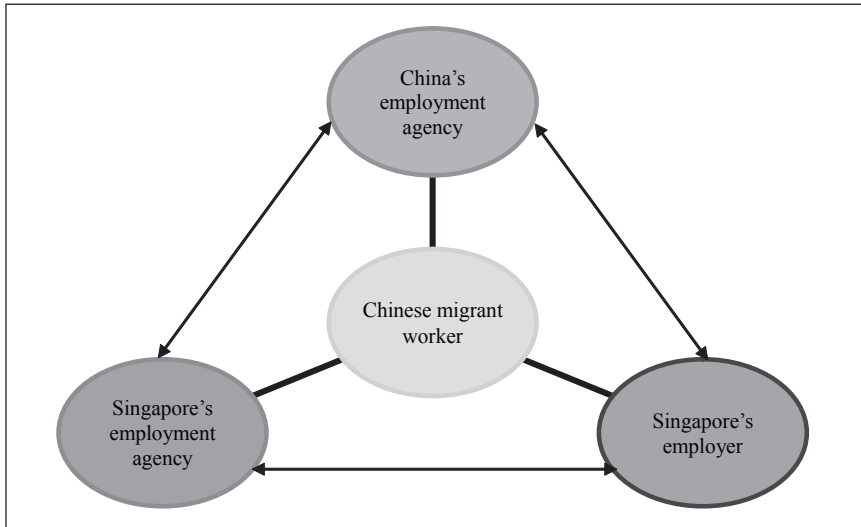
6.3. Chinese Migrant Workers' Ignorance Because of Lower Education, Coupling with Strong Anxiousness to Make Quick Money and Get Rich Quick

Most of the victims are those who have lower education. They have little knowledge of Singapore's related policy, China's related policy and even do not have any consciousness of contract. Those victims who were cheated by employment agencies and employers are those workers without signing any contracts with the employment agencies and employers. Although some of them have contracts, the contracts were finally taken away by the employment agencies through fraud or threat. In this case, it is very difficult for them to get help from the Ministry of Manpower of Singapore and the Chinese embassy in Singapore. Because of ignorance coupling with strong anxiousness to make money, some Chinese migrant workers are very easy to fall into the trap which the malicious employment agencies and employers have designed. They pay huge money to the agencies just according to the oral promise of the agencies. So the malicious employment agencies succeed in cheating through taking full advantage of their relative acquaintance with the two countries' policies, ignorance of the migrant workers and the latter's strong anxiousness to make quick money.

6.4. Chinese Migrant Workers Being in Weak Position or as Disadvantaged Group vis-à-vis China's Employment Agency, Singapore's Employment Agency and Foreign Employer

There are three or four parties which are involved in the process of Chinese emigration to work in Singapore. They are China's employment agency, Singapore's employment agency, Singapore's employer and Chinese migrant

Figure 1 Relations among China's Employment Agency, Singapore's Employment Agency, Singapore's Employer and Chinese Migrant Workers



workers. So there exist very complicated relations among them. Keeping different relations with the other three parties (see Figure 1), Chinese migrant workers are a disadvantaged group and in the weakest position in this context in terms of knowledge, time, money, social resource, bargaining power and so on. Being in a weak position, Chinese migrant workers often take a tolerant attitude towards the employment agencies and employers in fear of losing their jobs. A Chinese construction worker told me, “Either money or dignity” (争财不争气, 争气不争财). Moreover, once something happens, Chinese migrant workers will be kicked back and forth like a football among employment agencies and employer and finally suffer losses.

7. Conclusion

From 1985, Chinese migrant workers began to work in Singapore in the form of labour service to foreign contracted projects. Singapore is now a major receiving country for Chinese migrant workers. The Ministry of Manpower of Singapore has never publicized the number of Chinese migrant workers in Singapore because of political or social consideration. Chinese government does not yet have the complete data about the number of Chinese migrant workers in Singapore because of the classified management regime of emigrants and the statistical method. The number of Chinese migrant

workers in Singapore is estimated to be about 200,000. Most of them work in construction, manufacturing, maritime and service industries. They come to Singapore mainly through recruit agents after paying huge commission.

Making money is the key factor for the Chinese migrant workers to work in Singapore. Apart from this factor, there are other push and pull factors to drive Chinese migrant workers to work in Singapore. The majority of Chinese migrant workers in Singapore make money in due course while making contributions to the Singapore economy, but there are many Chinese migrant workers who had their dreams shattered in Singapore. They encounter such problems and risks as money loss, bad welfare, physical abuse and psychiatric problems. The reasons for those problems are system flaws, disorder of the labour service market and Chinese migrant workers' weak position.

With close economic relationship between China and Singapore, the volume of Chinese migrant workers in Singapore will increase. All the problems and risks faced by Chinese migrant workers will be solved through the cooperation of the labour service between China's government and Singapore's government. China's government has paid more attention to the problems and began to reform the management system of the labour service and signed a memorandum of understanding on labour services.

In July 2008, the activities of "overseas employment" were assigned to be managed by the Ministry of Commerce instead of the Ministry of Labor and Social Security. That means that the system of classified management on labour service was replaced by the system of united management on labour service which will be controlled by the Ministry of Commerce. In addition, China and Singapore have signed a memorandum of understanding on labour services, which regulated the responsibility of the parties involved such as China's Operating Companies of Labor Service, Singapore's employment agencies and employers and the role of the two governments in supervising their domestic labour service market.

Notes

1. The United Nations, "International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families" <<http://www.un.org/documents/ga/res/45/a45r158.htm>> (accessed 20th July 2008).
2. OECD, "Glossary of Statistical Terms" <<http://stats.oecd.org/glossary/detail.asp?ID=1047>> (accessed 21st July 2008).
3. Referring to mainland Chinese in this paper.
4. "Brief Summary of China's Foreign Contracted Projects and Labor Service Cooperation in Singapore" <<http://sg.mofcom.gov.cn/aarticle/tjsj/shehui/200309/20030900128197.html&5574401=529912866>>.
5. In 1992, the General Office of the State Council promulgated five opinions about labour service. One of them said that the Ministry of Foreign Trade and Economic

Cooperation is in charge of labour service and the Ministry of Labor is in charge of “overseas employment” which defines the activities of Chinese citizens going abroad to work as belonging to the characteristic of making living by individual citizen and is not considered as labour service. But for the receiving country, there is not any difference between labour service and overseas employment as classified by the Chinese government and they are both included in the category of migrant workers.

6. Only the Operating Companies of Labor Service and the Intermediary Agencies for Overseas Employment are authorized by China’s government as legal and formal employment agencies which may send Chinese workers to work abroad. The employment agencies which have not got the certification of sending Chinese workers to work abroad from China’s government are illegal and informal employment agencies.
7. See note 5 above.
8. “How to Avoid the Risk of Labor Service: Implication from Bankruptcy Case of Singapore United Plastic Factory” <<http://www.chinca.org/newsShow.aspx?countryID=185&newsID=1260>>.
9. Melissa Sim, “Bosses Cheat on Quotas for Low-skilled Foreigners”, *The Straits Times*, 15th May 2008.
10. Tan May Ping, “One China Cook’s Plight after Salary Row”, *The New Paper*, 5th May 2008.
11. “Large Amount of Remittance Missing” <<http://english.peopledaily.com.cn/200202/01/eng20020201-89751.shtml>>.
12. For average weekly hours of work by industry, see *Yearbook of Statistics Singapore 2007*, Table 4.16.
13. Melissa Sim, “Bosses Cheat on Quotas for Low-skilled Foreigners”, *The Straits Times*, 15th May 2008.
14. See the report “Sorry Sir, I Don’t Understand You ...”, *Today*, 3rd-4th May 2008.
15. Before this regulation, only state-owned companies are allowed to apply for the Qualified Operating Companies of Labor Service Cooperation and operate labour service.
16. The Ministry of Commerce of PRC <<http://fec.mofcom.gov.cn/column/qyml.shtml>>.
17. The Ministry of Labor and Security of PRC <<http://www.molss.gov.cn/gb/ggfw/jwjy.htm>>; the Ministry of Human Resources and Social Security of PRC <<http://w1.mohrss.gov.cn/gb/ggfw/jwjy.htm>>.

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