

LETTER | Redefining Malaysia's high-tech workforce

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LETTER | The proposal by Investment, Trade and Industry Minister Tengku Zafrul Abdul Aziz, to allow foreign graduates from local institutions of higher education to work in Malaysia's high-tech sector contradicts the purpose of foreign direct investment (FDI), which should create job opportunities for Malaysians.

Our country is facing a serious issue of underemployment, and this issue is not being addressed by the government. The latest data from the Department of Statistics Malaysia (DOSM) on Nov 20, 2023, indicates a skilled underemployment rate of 7.9 percent, equivalent to 1.55 million graduates.

This means that 1.55 million graduates in the country are facing the problem of mismatched skills, education, and knowledge that cannot be fully utilised in their current jobs.

We do not deny the role and job opportunities provided by FDI for our country. However, what is the use of foreign investment when it does not benefit our

workforce who are still waiting for opportunities and are underemployed?

If it is true that our local graduates are insufficient to meet the demand of foreign investment, the government should also call for and impose conditions that these investments must also invest in employee training programmes and TVET.

The government must ensure that the foreign investment ecosystem in our country encourages technology transfer to enhance the capacity of our workforce.

At the same time, our government should also ensure that fair wages are given to foreign graduates who study in local institutions of education to work in the industry.

These investments must be monitored so that they do not exploit this opportunity to further depress wage levels that have long been unsatisfactory.

Malaysia has continuously demonstrated its strength as a leader in the manufacturing and electrical and electronics (E&E) industry in Southeast Asia as it has long been the backbone of our country's economy.

However, it is clear that there is a lack of positive impact on technology transfer and capacity building in our country, resulting in our reliance on foreign

graduates in our country for foreign investments related to the E&E industry.

PSM calls on the government to stop giving a “free pass” to foreign investments that only use working-class labour but do not contribute to the positive spillover of our workforce capacity.

In addition to directly participating in our economy to create job opportunities for new graduates and graduates working in jobs that do not match their skills, the government also needs a comprehensive plan to address FDI so that we do not rely too much on them for job opportunities in our country in the future.

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