

# Ease rules on hiring of expatriates, Putrajaya told

By **Robin Augustin** - February 27, 2021 7:00 AM



*MEF's Shamsuddin Bardan says skilled workers make up less than 30% of the Malaysian workforce compared with more than 50% in developed countries.*

PETALING JAYA: The Malaysian Employers Federation (MEF) has urged Putrajaya to relax its rules on the hiring of expatriates in the interest of encouraging multinational companies to remain in the country and attracting new investors.

MEF executive director Shamsuddin Bardan said the government should recognise that there was a lack of home grown skilled labour in the country.

Last October, Putrajaya introduced new procedures on the hiring and re-hiring of foreign workers and expatriates to facilitate the employment of local talents.

In official Malaysian parlance, an "expatriate" refers only to a foreign worker with a set of skills that are above those of manual labourers.



*Shamsuddin Bardan.*

Shamsuddin said skilled workers in the country currently made up less than 30% of the workforce, whereas the proportion in developed countries is more than 50%.

He also spoke of efforts made over the years to improve the employability of graduates from local universities, saying the main problem was that many of them did not have skills the market required.

"For example, when the demand for big data specialists emerged, there were many local IT graduates but few big data specialists. So many companies needed to source for talent from overseas," he said.

"Our universities and the authorities need to react faster to market demands because it takes time to prepare students for the working world."

He said a lack of mastery of English was another issue but he acknowledged that the situation had improved in recent years.

“The ideal solution is to increase the supply of talent, not make it harder to fill gaps in talent. Otherwise it’s hard for businesses to function.

“The government can review its policies but only when there is sufficient local talent available,” he said.

Shaun Cheah, executive director of the Malaysian International Chamber of Commerce and Industry, said multinational companies by default would want to hire Malaysians as the cost of doing so was lower.



*Shaun Cheah.*

“The issue is the quality of local talents and the lack of proficiency in English. There are many local graduates, but the problem is quality.

“This is something I have experienced myself. I have hired accounting graduates, but they are only as good as bookkeepers.”

He said there were good local talents, but added that many of them had opted either to work in Singapore where the money was better or to go into business themselves.

This was not ideal for many businesses with contracts to deliver, he said.

“Imagine that you have a contract to develop an IT system and people leave halfway through. With foreign talent, they come here on a contract basis and are only looking to earn their money and go back home. So the chances of disruptions are minimised.”