

SKILLS AND EMPLOYMENT

Skilled workers can now get work permit in seven days

Simplifying issuance of work permit and visa for skilled workers

● The Immigration Department will shorten the processing period for the issuance of work permit to seven days for skilled workers, compared with 14 days previously.

● The Immigration Department will issue a new category of visa with a longer validity period for business travellers.

● Applications for professional visit passes for knowledge workers can be done in Malaysian embassies and consulates.

● Multiple entry visas (MEVs) will be allowed for Indian and Chinese nationals. The MEVs can be applied in the country where they are residing or working. Initially, this facility will only be available in international financial centres — such as New York, London, Hong Kong and Singapore — from Jan 1, 2008.

REACTIONS:



Hewlett Packard Malaysia managing director T.F. Chong

Malaysian Employers Federation executive director Shamsuddin Bardan: "Malaysians need not be worried about fewer job opportunities. I believe the government's intent is to make it easier for companies to bring in highly skilled knowledge workers which Malaysia desperately needs in order to achieve developed nation status.

"Malaysia has invested significantly in high technology and we need highly skilled expatriates to be able to utilise the new innovative technologies, especially in the areas of information technology and biotechnology.

"In the past, skilled workers were snapped up by neighbouring countries because Malaysia's visa application process had too much red tape.

"There are only a limited number of highly-skilled knowledge workers worldwide and because of that, they are constantly in high demand; so a moment's delay will cost the nation millions.

"It's good that the government is finally listening to the private sector."

Hewlett-Packard (M) Sdn Bhd managing director T.F. Chong: "We will be setting up a Global Application Development and IT Support Centre in Cyberjaya soon, so the MEVs for Indian nationals will benefit us immensely, as this global centre requires a significant number of highly-skilled IT professionals over the next few years."

Enhancing skills training

● A sum of RM2 billion will be allocated to government training agencies to increase the number and quality of workers.

● Of the RM2 billion, RM480 million is allocated for GiatMARA, Industrial Training Institute (ILP) training programmes, and the National Youth Training Institute.

● To upgrade polytechnic and community colleges, RM550 million will be allocated.

● For the construction of Advanced Technology Training Centre (ADTEC) in Taiping and an ILP in Marang, RM750 million will be allocated.

● The Human Resource Development Berhad Act, 2001 (Act 612) will be amended to allow employers to provide financial assistance to:

1. Enable their employees to pursue masters or doctoral degrees, especially in new and high-technology areas;

2. Train employees despite the employer having outstanding unpaid levies or outstanding interest on levies; and

3. Provide practical training at their premises to students of universities or training institutions.

● RM100 million will be allocated to train 50,000 workers.

● Individual tax relief of up to RM5,000 on education fees will be extended to all postgraduate studies.

REACTIONS:

Malaysian Employers Federation president Datuk Azman Shah Harun: "The government's proposal is welcomed. People need to be on continuous education to improve themselves to keep up with a competitive market. This is a good way for the government to encourage it.

"The continuous upgrading of skills will be good for Malaysia's human resource development."

Malaysian Trade Union Congress president Syed Shahir Syed Mohammad: "The budget remains too vague for the common man to understand. The allocation of money to building and expanding government training



Malaysian Employers Federation president Datuk Azman Shah Harun

institutes is good but the issue here is not funding but the content of what is taught.

"We haven't heard what improvements will be done for the curriculum of training institutes and, honestly, it feels like a blanket proposal.

"The government can do much better than this."

Nurturing a knowledge-based society

● The government plans to increase the broadband penetration rate from 12 per cent to 50 per cent of households by 2010.

● Last-mile network facilities providers will be given investment allowances of 100 per cent on capital expenditure incurred for broadband up to Dec 31, 2010.

● Import duty and sales tax exemptions on broadband equipment and consumer access devices.

● Tax deduction will be given to employers who provide benefits in the form of new computers and payment of broadband subscription fees for employees. Such benefits received by the employees will also be tax exempt.

REACTIONS:

Yahoo! Southeast Asia managing director Tom Sipple: "Yahoo! believes the Internet can positively transform lives, societies and economies as it expands the ability for people to communicate, express themselves, access information and conduct commerce.

"The Malaysian government's positive stance will help grow the Internet ecosystem and encourage access and adoption of the Internet as a platform to find, use, share and expand human knowledge from Malaysia.

"This will provide long-term educational and economic benefits for the country."

Pikom chairman David Wong Nan Fay: "On giving last-mile network facilities providers an investment allowance of 100 per cent on capital expenditure incurred for broadband, PIKOM, as the voice of the industry, is pleased at such savings but feels the government should extend this beyond 2010.

"Only by extending the date can we see a higher broadband penetration rate of beyond 50 per cent.

"On the exemptions from sales tax and import duty incentive grants for broadband equipment and consumer access devices, we feel the crux of the matter revolves around the broadband cost, which is still high.

"Pikom feels it is necessary for the government to directly intervene and lower the cost of broadband subscription to make it more affordable to the average Malaysian and not merely making the hardware cheaper."



We are also in the process of setting up infrastructure at Malaysian embassies and consulates to link application data directly to our headquarters here. This system, to be implemented by Jan 1, will cut down by half the time taken to get visas.

Datuk Wahid Md Don
Immigration Department
director-general