

BRAIN DRAIN

High pay luring Malaysian workers

MALAYSIA is one of the countries most affected by brain drain. It faces a major problem in retaining local talent and attracting foreign ones because of poor compensation and salary packages.

The push factors are the disparity in income and firms in other countries that have good exchange rates against the ringgit. There is no way we can stop unskilled and skilled workers from being lured elsewhere.

It is estimated, in a 2000 World Bank report, that 800,000 to 1.4 million Malaysians are living overseas at a time when the country is striving for high-income status by 2020. This results in the country lacking in skilled human capital.

It is estimated that 46 per cent of the Malaysian diaspora reside in Singapore, and make up 45 per cent of Singapore's immigrant population, 12 per cent in Australia, nine per cent in Brunei, and eight per cent in the United States and the United Kingdom, especially in the high-skilled technology sector.

The report also states that brain drain is also attributed to a lack of career prospects and unavailability of opportunities in specific fields. As a result of this, many of our engineers are pinched, especially from oil and gas industry, while bankers, accountants and pilots are being lured to Europe and the Middle East with salaries up to three times more, including perks and incentives.

Malaysia's economy is mostly based on production and manufacturing, instead of research and development, which makes it a magnet for semi-skilled labour.

TalentCorp Malaysia is doing its part to attract high-end talent, and, so far, had approved about 3,000 applications under its Returning Expert Programme since 2011. This initiative by the government to bring back Malaysians who have acquired value-added knowledge and skill must be welcomed.

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