

Workforce needs to be nurtured

PETALING JAYA: As Malaysia strives to be a high-income nation with high technology and Industrial Revolution 4.0 adoption, investments must be supported with policies to support the workforce, especially high-skilled labour, said economists.

Independent economic analyst Prof Emeritus Zakariah Abdul Rashid said Malaysia's foreign direct investment in the first half (H1) of 2021 was commendable and reflected that the economic cycle of investing in the country had returned.

In 2020, total investments approved declined 22.4% to RM164bil, from RM211.4bil in 2019, weighted by the impact of weak global demands due to the Covid-19 pandemic and the movement control order, according to data by the Malaysian Investment Development Authority (Mida).

In 2018 and 2017, it stood lower at RM201.7bil and RM200.6bil, respectively, Mida added.

However, Zakariah said that while it may augur well for Malaysia to have a sustainable economic recovery, more is needed to be done for the country to achieve its goal of having a high-level income economic status.

Based on a recent statement by Senior Minister and Minister of the International Trade and Industry Ministry (Miti), Datuk Seri Mohamed Azmin Ali, 367 manufacturing projects worth RM66.9bil had been approved in

H1 of 2021 and the projects are expected to create 32,220 job opportunities in various positions and roles, leading on the path for high-value and skilled employment.

Zakariah opined that although the statement mentioned that it would create 1,367 managerial positions, 4,031 technical professionals and 4,144 skills craftsmen, there was no indication for the remaining 22,678 positions out of the 32,220 job opportunities.

"This represents 70.38% (22,678 positions), which could either mean low-skilled or unskilled positions.

"With only a ratio of 30% in the high-skilled positions, it will be a constant challenge to transform our economy, thus hindering the country from achieving the target of a high-income status country by 2030," he said.

According to the Statistics Department, in 2019, Malaysia's share of high-skilled employment (those who are employed in managerial, professional or technical roles) was at 27.5%, while the share of semi-skilled workers stood at 60.1% and the share of low-skilled employees was at 12.4%.

Zakariah said to become a high-income nation, the country must work towards reaching at least 50% of a high-skilled workforce.

However, the level of below 30% of a high-skilled workforce in Malaysia has stayed on for about 15 years and this needs to improve, he said. — Bernama