New initiative to stem brain drain

> Many who've left cite a sense of marginalisation, says analyst

KUALA LUMPUR: When computer engineer Wan Jon Yew left Malaysia in 2005 for a job in Singapore, all he wanted was to work in the city-state for a few years before going home. Now, he says, he will never return.

With a family, a home and a car, he now plans to settle in Singapore for good — just one of the many Malaysians stampeding abroad every year in a worrying "brain drain" the government is trying to reverse.

"I wouldn't consider going back to Malaysia, I won't look back. If I were ever going to leave Singapore, I would migrate to Australia," said the 28-year-old, who now has permanent resident status.

"It's not about the money. I could have a better quality of life in Malaysia with my pay. I could have a semi-detached bungalow and have a maid there, but I would rather live in a government flat in Singapore."

Wan is one of some 700,000 Malaysians — most of them highly educated — who are currently working abroad in an exodus that Prime Minister Datuk Seri Najib Razak's government is struggling to reverse.

The "brain drain" has a number of causes. Some have been lured by higher salaries, but others blame political and social gripes including preferential policies.

Many feel constrained by life in a country where the ruling coalition has been in power for half a century, and where progress on freedom of expression, the right to assembly, and tackling corruption has been slow.

Early this month Najib launched a "Talent Corporation" with incentives to woo back these highly skilled workers, as well as foreign professionals, to live and work in the country.

Malaysia, Southeast Asia's third-largest economy with a population of 28 million, has ambitions to transform itself into a developed nation by 2020, but a lack of human capital is a barrier to reaching that goal.

World Bank data cited by the Malaysian press shows that while globally the number of migrants rose 2.4 times between 1960 and 2005, Malaysia's diaspora registered a staggering 155-fold increase over the 45-year period.

Wan said his wife, an IT analyst, renounced her citizenship in July this year, joining a queue of about 30 Malaysians lining up to do so on that day alone at the Malaysian embassy in Singapore.

Commentators are sceptical over whether the government's latest effort to reverse the "brain drain" will be successful, warning it will be tough to persuade those in self-exile.

"Money does have a significant role but the most important factor, I think, is opportunity. Malaysia is too politicised and opportunities are not evenly available to everyone," political analyst Wan Saiful Wan Jan told AFP.

AFP

Wan Jon Yew with his wife, Tan Hsiou Ling and their baby girl, Vee Ann in front of their apartment in Singapore. They plan to stay in the city-state for good.

In one example, he said academics are reluctant to work in local universities as they must sign a "loyalty pledge" barring them from, among other things, criticising government policies.

"In such an environment, obviously those with talents will find opportunity elsewhere," said the chief executive of think-tank the Institute for Democracy and Economic Affairs (IDEAS).

Wan Saiful, who himself returned to Malaysia last year after living in Britain for 17 years, said the newly launched Talent Corporation will be "another expensive failure" if it does not tackle these structural problems.

"When I apply for a job, buy a house, register my children for school, etcetera, why does it matter what my race or religion is? This should stop," said the analyst.

Ethnic Chinese and Indian professionals who have left the country commonly say they felt a sense of marginalisation in Malaysia.

"When I went back to Malaysia, it was a culture shock in terms of politically how they promote the rights of the Malays over everyone else," said Chee Yeoh, 35, a stock analyst who migrated to Australia three years ago.

Yeoh was educated overseas from the age of 10 and returned in 1998 to take up a position with a bank, but felt like leaving again "almost immediately".

"I just didn't feel at home in Malaysia. I can't speak the Malay language — essentially I felt like an outsider even more," said the analyst, who took a pay cut to move to Australia.

Najib has admitted the talent issues are "broad and complex", and will not set a target on how many Malaysians he hopes to lure back under the new programme.

The initiatives include a "resident pass" which will give foreign skilled workers, and Malaysians who have given up their citizenship, the long-term right to live and work in the country.

But Tan Sri Dr Fong Chan Onn, former human resources minister who was instrumental in previous "brain gain" efforts, said the government must tackle the issue holistically.

"The government needs to rectify this sense of marginalisation. We also have to improve the mechanism so it can be more effective to ask these talents to come back," he said. "We have a long way to go. It is better late than never." — AFP

OACM to take over Tahan's general insurance ops

KUALA LUMPUR: Overseas Assurance Corp (M) Bhd (OACM), a wholly-owned unit of Great Eastern Holdings Ltd (GEH), will take over the general insurance business of Tahan Insurance (M) Bhd from tomorrow.

In a statement yesterday, GEH said Tahan's entire general insurance business portfolio would be transferred and managed by OACM.

As at end-2009, OACM's paid-up capital was RM100 million. It has 12 branches and six servicing offices, with more than 2,700 agents. — Bernama

Dialog wins RM64m cooling tower job

PETALING JAYA: Dialog Group Bhd said yesterday it has won a RM64.6 million contract to build a new cooling tower for Asean Bintulu Fertilizer Sdn Bhd, a unit of Petronas Chemicals Group Bhd.

"The scope of work involves the engineering, procurement, construction, commissioning and associated works of ABF new cooling tower at Bintulu, Sarawak," Dialog said in a statement.

Two genome projects

KUALA LUMPUR: Malaysian Genomics Resource Centre Bhd (MGRC) has signed agreements with the Ministry of Science, Technology and Innovation on two projects.

A grant of RM14 million has been allocated by the ministry for the Malaysian Human Genome Diversity Project and the Proboscis Genome Project, the company said in a statement. — Bernama

KSSC to raise RM11m from IPO

KUALA LUMPUR: K. Seng Seng Corporation Bhd (KSSC) aims to raise RM11.47 million from its initial public offering (IPO) of 20.12 million shares of 50 sen each at an issue price of 57 sen apiece.

It has alloted RM6.26 million of the proceeds raised for working capital, RM3.31 million to purchase machinery for the development and production of secondary stainless steel products, and the balance of RM1.9 million for listing expenses, it said in a press release yesterday.

Six million of the public issue shares will be for the public, 5.12 million shares for directors and employees, and nine million shares for private placement.

Under its listing exercise, the one-stop secondary stainless steel products supplier is also making an offer for sale of 22.2 million shares to identified investors.

KSSC group chairman and managing director Kor Seng Kar said the group's strength lies in its technical know-how in the manufacturing of secondary stainless steel products and the processing of secondary stainless steel flat and long products as well as its strategy to be a one-stop supply centre.

KSSC's manufacturing and processing business complemented by its trading operations currently trades around 10,000 active stock keeping units (SKU) of industrial products.

In the financial year ended Dec 31, 2009, KSSC recorded a revenue of RM80.08 million and an after-tax profit of RM7.15 million.

The local market accounted for 73% of the revenue with exports to the United Kingdom, Singapore, Indonesia, Brunei, and Papua New Guinea making up the balance.

For the financial period ended Aug 31, 2010, the audited revenue was RM48.18 million and the after-tax profit, RM3.76 million.

Going forward, KSSC plans to export to Thailand, Vietnam and the Philippines, and to produce a new line of products.

The IPO shares are open for subscription until Jan 6, with the listing expected next month.