

PIKOM Calls for More to Equip The Nation for the Future

Petaling Jaya, 13 October 2023– The National Tech Association of Malaysia (PIKOM) commends the Malaysian government for its effort to elevate the well-being of the Rakyat in general in its latest budget.

PIKOM is particularly pleased to see the government's continued focus on digitalisation, MSMEs and Start-ups development, local talent and skills development, promotion of STEM which PIKOM had continuously promoted, 5G implementation, and enhanced cybersecurity effort. These are all key areas that are essential to the tech sector's growth and development.

However, the budget somehow lacks luster in the extra boost needed to equip the nation to be future-ready. PIKOM believes that the government can do more to equip the tech sector for the 4IR. In particular, PIKOM provided some quick-wins that could have been implemented:

- An automatic double tax deduction to be enjoyed by companies on skills training for their employees. This would help companies to invest in training their employees with the skills they need to succeed in the 4IR. Some of the MSMEs may not have sufficient levy in HRDCorp and can utilise the tax break.
- While there were some grants announced for digitalisation for RM5,000, it was largely silent on smart automation for manufacturing and services that may require larger investment. This would help mid-sized to larger companies to adopt digital technologies more quickly and easily.
- Increased government spending on tech transformation. There were little details on how public sector transformation will be technology-led.
- A dedicated export funding for tech companies. This would help tech companies to expand their reach into new markets as the Malaysian market is too small as we seek to create regional and global champions and unicorns.
- A voucher program to spur tech retail sales for lower-income Malaysians. There is already a tax relief for the middle to higher income groups but a voucher for deserving Malaysians would help to make tech products more affordable and accessible.

"We are grateful to the government for its continued support of the tech sector," said Ong Chin Seong, Chairman of PIKOM. "However, we believe that the government can do more to equip the nation for the Fourth Industrial Revolution and be future-ready."

About PIKOM

PIKOM, THE NATIONAL TECH ASSOCIATION OF MALAYSIA, is the association representing the technology industry in Malaysia. Its membership currently stands at more than 1,000 active companies involved in a whole spectrum of tech products and services, and which command 80% of the total TECH business in Malaysia.

There are 7 Chapters under PIKOM: GBS Malaysia; CIO; Cybersecurity; E-Commerce; Venture Investment; SpaceTech and Women in Tech. These chapters help improve and drive the business climate for all member companies, together with promoting industry growth in line with national aspirations.

As the Voice of the Tech Industry, PIKOM embraces the task of growing the size and capabilities of the tech industry in Malaysia by creating opportunities for its members as well as all Malaysians to capture the benefits offered by advances in technology

For more information, visit www.pikom.org.my

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