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Continued emphasis on ICT

PETALING JAYA: The Government has demonstrated continued emphasis on driving the use of technology in high growth sectors including information and communications technology (ICT), biotechnology and modern agriculture.

Among the beneficiaries of Budget 2007 are the Multimedia Development Corp (MDeC), which will receive RM154mil to boost its services including small and medium enterprise (SME) industry development programmes. Mimos Bhd, the country's ICT and microelectronics research and development (R&D) body, will also receive RM162mil to carry out various initiatives such as mobile broadband engines, e-learning applications and R&D in language technology especially Bahasa Melayu.

The MSC Grant Scheme (MGS) will also receive RM20mil to finance ICT-based R&D activities.

Mobile application developer iNavigate Sdn Bhd chief executive officer Lim Kian Khoo said the allocations would benefit SMEs.

“The RM154mil allocation to MDeC and RM20mil for the MGS are both reasonable sums that will help local ICT SMEs undertake smaller but innovative, quality projects that can benefit the nation as a whole,” he told *StarBiz*.

The Government has also mooted setting up the Content Industry Development Fund with an initial funding of RM25mil to finance ICT applications.

The Government has also pledged to further increase access to ICT facilities for the rural population by further expanding the Universal Service Provision (USP) Fund to include broadband infrastructure development in rural areas.

Commerce Dot Com Sdn Bhd executive director and chief executive officer Datuk Azizan Ayob said that the move showed the Government's commitment to expedite the development of ICT infrastructure in rural areas.

“This will pave the way for thousands of suppliers in the rural area to participate in e-commerce transactions with Government,” he added.

On developing human capital, the Government has allocated 21% or RM33.4bil to strengthen the education and training system.

The Government aims to push for specialised skills training programmes to further boost the number of skilled ICT workers in the country.

Graduates, especially with information technology (IT) and engineering qualifications, will be targeted for this specialised training.

Meanwhile, MDeC will continue to organise job camp training programmes for 1,000 unemployed graduates and undertake a programme to enhance professionalism for 5,000 graduates within a year to meet the requirements of ICT-based companies.

Basis Bay Group chief executive officer Praba Thiagarajah praised the budget for addressing the training and development of human capital in ICT.



“The specialised training, especially for graduates in engineering and IT in the areas of language proficiency, communication and leadership, combined with MdeC’s programmes to enhance the professionalism of 5,000 graduates within a year, will definitely be well received by not only ICT-based companies but also the shared services and outsourcing organisations.

“The overall measures well towards our goal of moving ahead in the ICT space and addresses the current requirements of the business sector and the social requirements of the country. “

SKALI (Alam Teknokrat Sdn Bhd) president and co-founder Tengku Farith Rithauddeen lauds the Government’s efforts in bringing human capital development a step further.

“Unemployed graduates, especially those in the IT field, will play a very crucial role for the growth of the ICT sector. Thus it is important for them to be knowledge-driven,” he added.

Meanwhile, IFCA-MSB Bhd vice-president Tan Chen Meng said the income tax exemption of 10 years for venture capital companies investing at least 50% of their investment funds in seed capital was something the industry had been proposing for a long time.

“This will be an added impetus for budding technopreneurs to transform their ideas into successful solutions,” he added.