



ICT skills, and promoting investment in the knowledge-based economy

A common-sense suggestion to help improve Thailand's economic competitiveness

Thailand has a shortage of people with the technical skills that most large businesses demand. In addition, because so many ICT projects are designed and implemented on a regional or even a global scale, not only are specific technical skills required but English language proficiency is also a must. In Thailand, this makes the shortage even more acute.

So how can Thailand remain competitive? Let's look at that question from a different perspective, and take a different approach to answering it.

Ask yourself: How attractive would the investment climate in Thailand be if the best and the brightest ICT people from all over the world – not just Thais, but Americans, Europeans, Australians... anyone - located themselves here? Would you rather that a brilliant technology guru is working in Palo Alto, or in Phuket? In London, or in Laem Chabang? In Brisbane or in Bangkok?

It doesn't matter what their nationality is... if the skills that those people have are readily available in Thailand, then that becomes yet another reason why the companies that need such resources (in whatever industry) will find it advantageous to invest here. Thai companies, large and small, will also have an easier time finding the skilled resources they need for expansion. A larger pool of ICT talent will help level the playing field for the many Thai companies which have yet to reap the competitive advantages made possible by technology. Even local start-ups will have a greater chance of success if there are more ICT professionals working in Thailand.

And here's the good news:

- **Foreign ICT professionals would NOT take away any Thai jobs.** Any Thai national who has the skills for which the foreigner is being hired, either already has a job or can find one. Employers will always prefer to hire a qualified Thai candidate if one is available.
- **Foreign ICT professionals would train Thai staff in new technology, and also help improve their English language skills.** This is especially valuable for Thai SME's whose staff, unlike the staff of large multinational companies, might otherwise not have the opportunity to work closely with fluent English speakers.
- **Foreign ICT professionals would pay Thai taxes** on a comparatively high local salary.
- **Foreign ICT professionals would spend money here in Thailand**, generating economic benefit for other Thai businesses as well as increased VAT revenue for the government.
- And the best news.... Foreign ICT professionals already want to come and work here!

But they can't, because even though they would not be taking away any Thai ICT jobs, the Labor Department will not allow service companies to get work permits for them. **Work permit approvals are determined by a company's registered capital. Service companies, and especially SME's – the sort which would be adding value and "packaging" technology resources for larger corporate clients – do not want or need to have high registered capital.** Also, the ever-increasing burden of paperwork and procedures required by both the Labor Department and the Immigration Bureau act as a further disincentive to bringing foreign ICT professionals to work here.

As the global economic climate improves, the winners will be those countries which have enhanced their attractiveness by creating centers of innovation and becoming magnets for skills. Thailand has some organizations in place, such as SIPA, Software Park, and others, which could help the private sector implement these changes, if allowed to do so.

Enabling the free movement of skilled labor is a stated goal of the ASEAN charter. Thailand will therefore need to be even more proactive in attracting global talent if the country is to maintain a competitive advantage in the region.