

# Public universities told to establish AI faculties to address graduate unemployment

By **Suzalina Halid** - December 16, 2024 @ 12:13pm



The government has instructed all 20 public universities (UA) in the country to establish artificial intelligence (AI) faculties or integrate AI elements into existing faculties to bridge the gap between graduates and the job market. - REUTERS file pic

KUALA LUMPUR: The government has instructed all 20 public universities (UA) in the country to establish artificial intelligence (AI) faculties or integrate AI elements into existing faculties to bridge the gap between graduates and the job market.

Deputy Higher Education Minister Datuk Mustapha Sakmud said that by studying AI through new faculties or by incorporating these technological elements into related faculties, universities can produce graduates who meet industry demands more effectively.

"This initiative will also tackle the issue of graduate unemployment. Thus, we ask all universities to review their curricula to include AI or to infuse their faculties with AI elements. The curriculum needs to be revisited with a focus on AI.

"This is part of our efforts to seriously examine the issue of job mismatch and unemployment among graduates.

"One of the key issues is that many courses do not align with market needs," he told Berita Harian.

Mustapha said that, currently, Universiti Teknologi Malaysia (UTM) has established the country's first AI faculty, with a focus on robotics.

Additionally, five other UAs have incorporated AI elements into specific areas of study.

The International Islamic University Malaysia (UIAM) promotes AI in the context of humanitarian values and ethics, while Universiti Putra Malaysia (UPM) focuses on food security technologies.

At Universiti Kebangsaan Malaysia (UKM), AI elements are concentrated in translation studies; Universiti Malaya (UM) focuses on medicine, and Universiti Sains Malaysia (USM) is centred on semiconductors.

On Dec 7, Prime Minister Datuk Seri Anwar Ibrahim [called for public universities to expedite the approval of new high-tech fields of study](#), which should no longer take a year or more due to regulatory procedures.

Anwar also asked university management to swiftly focus on new fields of study and create ample opportunities for more aggressive industry collaboration.

#### Framework Plan

Meanwhile, Mustapha said that another initiative implemented by the government to address the gap between graduates and the job market is the formulation of the Malaysia Higher Education Development Plan 2026-2035.

He added that this plan, which has the potential to transform the current situation, is in its final stages of gathering input from various parties and stakeholders, particularly from the industry.

He said that the Higher Education Ministry has already initiated efforts to tackle the mismatch between graduates and job opportunities, although he acknowledged that progress will take time.

Among the initiatives the ministry is implementing are enhancing intervention and development programmes and strengthening university-industry partnerships.

It is also facilitating collaboration through the Government-Industry Technical and Vocational Education and Training (TVET) Coordination Body (GITC), which connects the ministry with industry for university collaborations.

"This is also to plan for the workforce needs that meet current market demands. The Higher Education Ministry is further strengthening industry partnerships through various programmes," he said.

Among these programmes include Industry@University, CEO@Faculty, Employability Advisory Committee, and Industry Advisory Council.

Regarding the increasing number of higher-educated graduates and the availability of skilled, high-paying jobs in Malaysia, Mustapha said that a mismatch still exists, according to the study "Shifting Tides: Charting Career Progression of Malaysia's Skilled Talents."

He said that the report from the study conducted by the Khazanah Research Institute (KRI) in collaboration with the ministry found that the number of skilled, high-paying jobs is insufficient to accommodate the rising number of high-paying jobs is insufficient to accommodate the rising number of higher-educated graduates.

"The number of higher-educated workers rose by 1.2 million to 5.2 million in 2022 compared to 2015. However, only 2.2 million high-skilled jobs were available in the market in 2022.

"The increase in skilled talent is not supported by suitable positions, leading to higher hiring rates compared to the qualifications possessed by those workers, consequently resulting in underemployment related to their skills," he said.

On Nov 17, the World Bank identified a significant gap in Malaysia between the number of higher-educated graduates and the job opportunities that match their qualifications, with one high-skilled job vacancy currently attracting six graduates.

The rising rate of underemployment, defined as individuals with higher education engaged in semi-skilled or low-skilled jobs, could hinder Malaysia's goal of becoming a sustainably high-income nation if the situation persists.

The latest report from the Malaysia Economic Monitor (MEM) by the World Bank, released in October, showed that the rate of underemployment among skilled workers rose to 37.3 per cent in 2022, up from 27.2 per cent in 2010.

A 2020 World Bank study also revealed that over 40 per cent of companies in the manufacturing and services sectors struggle to find employees with essential skills such as leadership, communication, problem-solving, and general information technology (IT) proficiency.