

# MALAYSIA

An everyday guide to expatriate life and work.



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# MALAYSIA COUNTRY GUIDE

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### Quick facts<sup>1</sup>

**Capital:** Kuala Lumpur

**Population:** 31 million

**Major language:** Bahasa Malaysia

**Major religion:** Islam

**Currency:** Malaysian Ringgit (MYR)

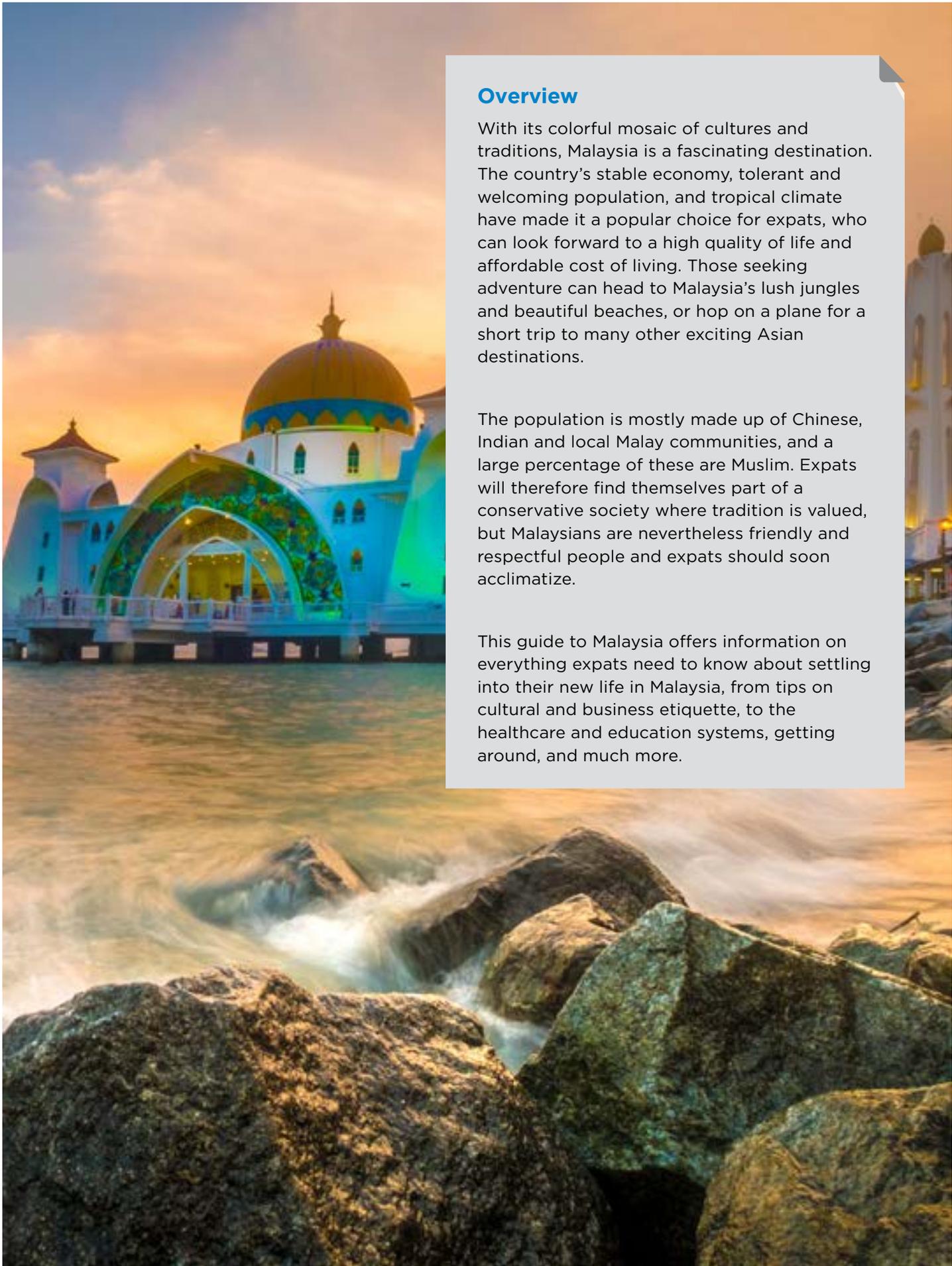
**Time zone:** GMT+8

**Emergency number:** 999

**Electricity:** 240 volts, 50Hz. Three-pin, UK-style plugs are used.

**Drive on the:** Right

<sup>1</sup> <http://www.expatarivals.com/malaysia/essential-info-for-malaysia>



## Overview

With its colorful mosaic of cultures and traditions, Malaysia is a fascinating destination. The country's stable economy, tolerant and welcoming population, and tropical climate have made it a popular choice for expats, who can look forward to a high quality of life and affordable cost of living. Those seeking adventure can head to Malaysia's lush jungles and beautiful beaches, or hop on a plane for a short trip to many other exciting Asian destinations.

The population is mostly made up of Chinese, Indian and local Malay communities, and a large percentage of these are Muslim. Expats will therefore find themselves part of a conservative society where tradition is valued, but Malaysians are nevertheless friendly and respectful people and expats should soon acclimatize.

This guide to Malaysia offers information on everything expats need to know about settling into their new life in Malaysia, from tips on cultural and business etiquette, to the healthcare and education systems, getting around, and much more.

## Getting Started

### Climate and weather

Malaysia has a tropical climate and expats should expect hot, humid and rainy conditions throughout the year. The weather is heavily affected by the annual monsoons and the seasons change only as a result of the different intensities of these prevailing winds. A southwesterly wind blows from April to September, and a northeasterly wind from November to February. As troublesome as these currents can be, the winds are the most important mitigating factor in relieving the oppressive heat.<sup>1</sup> The country can also be affected by typhoons from July to November, which can bring heavy rains and flooding.<sup>2</sup>

<sup>1</sup> <http://www.expatarivals.com/malaysia/weather-in-malaysia>

<sup>2</sup> <https://www.weatheronline.co.uk/reports/climate/>

### Visas

Nationals of some countries don't require a visa for short-stay tourist or business visits to Malaysia. Some travelers are able to apply for an e-visa, but those not able to do so should apply for their visa before departure at a Malaysian embassy or consulate.

Expats wanting to live and work in Malaysia long term need to apply for residency. There are different categories through which to apply for residency, and this will depend on an expat's particular circumstances.<sup>1</sup>

### Accommodations

There is a variety of accommodation in Malaysia, with condominiums being the most popular for expats as they are secure and often boast highly sought-after amenities such as gyms and swimming pools. Other options include large stand-alone houses, semi-detached and terraced houses, and apartments.

Completely furnished, semi-furnished or unfurnished accommodation is available. The term "unfurnished" is sometimes used more literally and can refer to places that are completely empty, without kitchen units, stoves or even curtain rails.

Rental agreements in Malaysia are usually signed on a

<sup>1</sup> <http://www.imi.gov.my/index.php/en/visa/evisa.html>

two-year basis, with an option to renew written into the lease. For this reason, if unable to commit with certainty to the full two years, expats should ensure that there is a termination clause written into the rental contract.

The tenant is usually required to pay two months' rent as a deposit to secure the rental and will also be responsible for their own utility bills, including water, electricity, sewage, phone and internet.<sup>2</sup>

### Schools

Expats will have a choice of public, private and international schools in Malaysia and all three options offer a high quality of education. However, most expats choose to send their children to international schools as the language barrier and the bureaucratic registration process for foreign students at public schools can be deterrents.

Primary education is compulsory for all children between the ages of seven and 12.<sup>3</sup> Education at public schools is free for all children, including expats, at the primary and secondary level, and the majority of children in Malaysia are enrolled in the public system. At the end of secondary education, students sit for the public common examination, Sijil Pelajaran Malaysia.<sup>4</sup>

There are numerous international schools in Malaysia, with most found in Kuala Lumpur. The most popular curricula for these schools include the American, British and Australian, with quite a few also offering the International Baccalaureate program. Private schools in Malaysia are an alternate option for expats as many teach in English. Many of these schools offer a faith-based curriculum, so expats need to decide if this suits their needs.

<sup>2</sup> <http://www.expatarivals.com/malaysia/accommodation-in-malaysia>

<sup>3</sup> [http://factsanddetails.com/southeast-asia/Malaysia/sub5\\_4d/entry-3684.html](http://factsanddetails.com/southeast-asia/Malaysia/sub5_4d/entry-3684.html)

<sup>4</sup> <https://www.studymalaysia.com/education/higher-education-in-malaysia/a-glance-at-the-malaysian-education-system>



## Culture

Malaysia is a multicultural society and its traditions and social etiquette stem mostly from its three main ethnic groups – Chinese, Indian and Malay. Although the country practices religious tolerance and almost every religion is represented, the majority of Malaysia's population is Muslim and adheres to conservative Islamic customs. Expats should bear this in mind and always treat others with respect and show tolerance towards their differences.

## Language

The official language is Bahasa Malaysia. Due to Malaysia's colonial past, many Malaysians also speak English. Other languages spoken in the country are a testament to its multicultural heritage and include Cantonese, Mandarin and Tamil.<sup>1</sup>

## Social etiquette and cultural faux pas

Navigating a new culture can be daunting, but in Malaysia, diversity is celebrated and locals are generally tolerant of new arrivals and their potential lack of knowledge of expected etiquette. Here are some tips to help ease the transition into Malaysian society.

- Saving face is important to Malaysians as they strive to build harmonious relationships and avoid public shame or embarrassment. Expats should always treat their Malaysian counterparts with respect and never argue or show anger towards another person in public. If there is a problem, it's better to discuss it in private.<sup>2</sup>
- The left hand is considered unclean so expats should always shake hands, give and receive gifts, and pass objects with the right hand.<sup>3</sup>
- Out of respect for the conservative culture, expats

<sup>1</sup> <http://www.expatarrivals.com/malaysia/culture-shock-in-malaysia>

<sup>2</sup> <http://www.expatarrivals.com/malaysia/culture-shock-in-malaysia>

<sup>3</sup> <http://www.everyculture.com/Ja-Ma/Malaysia.html>

should dress modestly – women, in particular, should avoid showing too much skin and should keep their shoulders and legs covered. Tight-fitting clothing should also be avoided.

- Expats should remove their shoes when entering a Malaysian home or religious temple. Some restaurants also expect that diners leave their shoes at the door.<sup>4</sup>

## Eating

Malaysian cuisine reflects its diverse cultural heritage, with a colorful variety of options for expats to enjoy. Indian, Chinese and Malay flavors feature prominently and there is often a blend of these cooking styles, which makes for a delicious treat for the senses. Malaysian cooking involves a generous use of fragrant spices such as cumin, coriander and cardamom. Other ingredients like coconut, lemongrass and chilli are frequently used, and rice forms an important staple.<sup>5</sup>

Malaysia's cosmopolitan cities have an impressive collection of restaurants from around the globe and expats wanting a taste of home won't struggle to find familiar chain restaurants as well as fancy fine dining establishments. Street food markets also offer a wonderful opportunity to sample the delicious traditional Malaysian cuisine.

## Drinking

With a largely Muslim and conservative population, alcohol doesn't form a central part of the Malaysian social scene. Muslims are prohibited from consuming alcohol, but this doesn't necessarily stop others from enjoying the occasional drink. Alcohol can be purchased in most supermarkets in the major cities and tourist areas, but will

<sup>4</sup> <http://www.safaritheglobe.com/malaysia/culture/food-drinks/>

<sup>5</sup> <http://www.sbs.com.au/food/article/2008/07/01/about-malaysian-food>



be harder to find in more rural areas. There are even some areas of Malaysia that completely prohibit the sale of alcohol. Due to extremely high taxes levied against alcohol, expats may find that drinking is an expensive habit in Malaysia.<sup>6</sup>

## Holidays

Public holidays in Malaysia<sup>7</sup> celebrate its diverse cultural heritage, and important dates on the Chinese, Islamic and Christian calendars are included. Some territories have additional public holidays in honor of significant regional events.

Traditional festivals are a colorful and exciting affair and offer an opportunity for expats to become acquainted with all the different ethnic groups that call Malaysia home.

New Year's Day - 1 January

Chinese New Year - January/February (Depends on the lunar calendar)

Labor Day - 1 May

Wesak Day - May

Hari Raya Puasa - June (Depends on the Islamic calendar)

National Day - 31 August

Hari Raya Haji - August/September (Depends on the Islamic calendar)

Agong's Birthday - Date varies

Malaysia Day - 16 September

Awal Muharram - 21 September

Prophet's Birthday - November/December (Depends on Islamic calendar)

Christmas Day - 25 December

## Transport

Expats will have no trouble getting around Malaysia thanks to its sophisticated transport network. The Klang Valley, which consists of Kuala Lumpur, its surrounding suburbs and adjoining towns and cities, has an integrated public transport system incorporating the Light Rail Transit (LRT), monorail, railway and bus services.

Expats living in the major cities can easily get by without a car thanks to the many modes of transport available, and driving is best avoided as it can be chaotic due to the traffic congestion.

Ferries connect various points in Peninsula Malaysia with Indonesia, southern Thailand, Brunei and the Philippines,

<sup>6</sup> <https://www.tripsavvy.com/guide-to-getting-drunk-in-southeast-asia-1629310>

<sup>7</sup> <http://www.officeholidays.com/countries/malaysia/index.php>

while low-cost airlines offer an affordable means of exploring the wider region.<sup>8</sup>

## Getting in touch

Malaysia's telecommunications sector has experienced significant growth in recent years and expats will find it easy and affordable to keep in touch.

## Telephone

Telekom Malaysia (TM) holds the monopoly on the landline network in Malaysia. Expats can apply for a landline at a TM office. Mobile networks are slowly expanding, with the landline market declining. The major operators include Maxis, Celcom Axiata and DiGi, which all offer competitive deals on pay-you-go and contract options.<sup>9</sup>

## Internet

Internet speeds in Malaysia are notoriously slow and censorship is an ongoing issue, with websites and news sites routinely blocked by the government.<sup>10</sup> The most prominent service providers include TM Streamyx, Celcom and Maxis.

## Postal Services

Pos Malaysia is the national postal service.<sup>11</sup> The company offers various postal services, which have improved in recent years. There are also numerous private courier companies operating in Malaysia.

## Employment

### The job market

Malaysia has managed to weather numerous regional and international economic shocks in recent years and continues to enjoy solid growth. Its diversified economy has been dominated by the production of raw natural resources such as tin and rubber, while manufacturing is also an important sector, with the country being one of the leading exporters of electrical appliances and electric parts.<sup>12</sup>

Expats seeking work in Malaysia are likely to find opportunities in IT as well as in the teaching, diplomatic, engineering and tourism fields. The banking and finance sectors, accounting and oil and gas industries are also large employers of foreign staff.

Finding work in Malaysia as an expat can be challenging as the government has restrictions on the number of foreigners a Malaysian company can employ, and if wanting to hire an expat, a company has to prove that the position cannot be filled by a local.<sup>13</sup>

<sup>8</sup> <http://www.expattarrivals.com/malaysia/transport-and-driving-in-malaysia>

<sup>9</sup> <https://www.budde.com.au/Research/Malaysia-Telecoms-Infrastructure-Operators-Regulations-Statistics-and-Analyses>

<sup>10</sup> <http://www.bbc.com/news/world-asia-pacific-15384221>

<sup>11</sup> <https://www.pos.com.my>

<sup>12</sup> <http://www.worldbank.org/en/country/malaysia/overview>

<sup>13</sup> <http://www.expattarrivals.com/malaysia/work-permits-for-malaysia>

## Income tax

A person is considered a tax resident if they live in Malaysia for at least 182 days of the year and they will be taxed on their income derived in Malaysia. Income tax is calculated on a progressive scale from 1 to 28% for residents, while non-resident tax payers are taxed at a flat rate of 28%.<sup>14</sup>

## Business etiquette

As is the case with Malaysian society in general, the business environment is diverse and multicultural. Expats will find themselves dealing with people from a broad range of backgrounds (Malay, Chinese and Indian being the most common) and expectations and conduct might need to be adjusted accordingly. Nevertheless, there are general aspects of Malaysian business culture that are worth noting.

Bahasa Malaysia is the official language in Malaysia, but English is widely spoken and understood in business circles.

The defining characteristic of business culture in Malaysia is respect and deference to authority. Authority figures are respected for their skills, wisdom and their ability to foster harmony and cooperation within their organization.

Sensitivity and diplomacy are important elements of business etiquette in Malaysia and the golden rule is never to cause another to 'lose face' in professional company. One should always endeavor to protect the pride and honor of professional associates. If there is a strong disagreement to air or a complaint to make, it should be done privately.

Greetings may vary depending on who one is greeting, but generally the standard greeting between men is a handshake. When greeting a woman, sometimes a light nod of the head is sufficient, or a handshake. It's best to wait for the woman to initiate the greeting.<sup>15</sup>

## Retirement

With its warm climate, affordable cost of living and its amenities that include excellent healthcare and transport networks, Malaysia is a popular destination for foreign retirees. Thanks to the Malaysia My Second Home Program (MM2H), retiring in Malaysia is an even more attractive prospect. The program allows foreign nationals to retire or live in Malaysia on a long-term basis and invites foreigners to gain residence status.

As part of the program, retirees will get a ten-year visit pass and multiple-entry visa, which is renewable every ten years. Applicants are required to pay a fixed deposit into a local Malaysian bank; the funds must be left in the bank

<sup>14</sup> <http://taxsummaries.pwc.com/ID/Malaysia-Individual-Taxes-on-personal-income>

<https://ringgitplus.com/en/blog/Personal-Finance-News/Malaysia-Personal-Income-Tax-Guide-2017.html>

<sup>15</sup> <http://www.expatarrivals.com/malaysia/doing-business-in-malaysia>

during the period of validity of the visa. The amount to be paid will depend on the age of the applicant. After the first year, expats can take out money to purchase housing, and for medical expenses and their children's education, but must maintain a minimum balance, depending on their age and circumstances, in the fixed deposit account from the second year onwards and throughout their stay in Malaysia.<sup>16</sup>

## Finance

### Currency

The currency in Malaysia is the Malaysian Ringgit (MYR), divided into 100 sen (cents).

Money is available in the following denominations:

- Notes: 1 MYR, 5 MYR, 10 MYR, 20 MYR, 50 MYR and 100 MYR
- Coins: 5 sen, 10 sen, 20 sen and 50 sen

### Cost of living

The cost of living in Malaysia's major cities is lower than others in the region such as Singapore, Bangkok and Jakarta.<sup>17</sup>

The cost of accommodation varies, depending on where in the country one lives, but it's still likely to be an expat's largest expense. Housing closer to the city center and transport routes will be more expensive.

Expats will find luxury items and alcohol expensive, but electronic goods are relatively cheap. When it comes to food, shopping and eating at local markets and from street vendors will be cheaper than the more pricy sit-down restaurants.

Those with children will likely have very high tuition fees to contend with, if choosing to send their children to an international school in Malaysia.<sup>18</sup>

### Banking

Malaysia has an established banking system and expats will find both local and international banks offering a range of services. The largest local banks include Bank Islam Malaysia, Bank Muamalat Malaysia Berhad, Public Bank Berhad and RHB Bank.

To open a bank account in Malaysia, expats will need a work permit. They will also need to provide proof of residency and employment, as well as their ID or passport. Recent bank statements and a letter of recommendation from their current bank may also prove helpful.<sup>19</sup>

<sup>16</sup> <http://mm2h.co/mm2h-requirements/>

<sup>17</sup> <https://mobilityexchange.mercer.com/Portals/0/Content/Rankings/rankings/col2017a986532/index.html>

<sup>18</sup> <http://www.expatarrivals.com/malaysia/cost-of-living-in-malaysia>

<sup>19</sup> <http://www.expatarrivals.com/malaysia/banking-money-and-taxes-in-malaysia>

## Private Medical Insurance

There is no national health insurance scheme in Malaysia, but in 2011 the government introduced the Foreign Worker Hospitalisation and Surgical Insurance Scheme, making it compulsory for foreign workers in Malaysia to have medical insurance.

Foreign employees are expected to cover the costs for the medical insurance coverage, which sees them getting a fixed amount of medical care each year in government hospitals. A number of companies are contracted to the scheme so expats have a choice when it comes to their insurance provider.

Private medical insurance is also recommended for those who prefer to have access to private medical care.

## Emergencies

Private ambulance services in Malaysia offer fast and efficient emergency services. The emergency number is 999 from a landline or 112 from a mobile phone.

## Pharmacies

Pharmacies are widely available and can be found in most shopping centers. They are generally well-stocked and some drugs that require a prescription overseas don't require one in Malaysia. Others may ask for a local doctor's prescription note. Opening times for pharmacies vary, with some in major cities being open till late.

## Health Risks

High levels of pollution due to smoke haze, particularly from June to October, are an ongoing issue in Malaysia and may prove a health hazard for those with preexisting respiratory conditions. Health warnings are regularly issued by the Malaysian government so expats should monitor local news reports.

The heat and humidity can also be overwhelming for new arrivals and expats should take precautions to avoid heat-stroke and exhaustion, such as drinking plenty of water.

Malaysia is prone to dengue fever outbreaks and expats should ensure they take adequate precautions to prevent mosquito bites. The risk is highest during the rainy seasons.<sup>20</sup>

## Vaccinations

Expats should ensure that all routine vaccinations are up to date before arriving in Malaysia. Recommended vaccinations include hepatitis A, hepatitis B, cholera, rabies, typhoid and Japanese encephalitis. Proof of yellow fever vaccine is required if arriving from a country where there is a risk of yellow fever.<sup>21</sup>

<sup>20</sup> <http://www.expatarivals.com/malaysia/healthcare-in-malaysia>

<sup>21</sup> <https://wwwnc.cdc.gov/travel/destinations/traveler/none/malaysia>

## Health

Healthcare in Malaysia is among the best in the world and expats will find excellent services in both the private and public sectors. Facilities are modern and staff are well trained, many of them having studied abroad, and are able to speak English.

With healthcare being both affordable and accessible, Malaysia has become a leading medical tourism destination.