



MALAYSIA PRODUCTIVITY CORPORATION

WELCOMING REMARKS

**YBHG. DATUK KAMARUZZAMAN JOHARI
CHAIRMAN
MALAYSIA PRODUCTIVITY CORPORATION (MPC)**

**LAUNCHING OF
PRODUCTIVITY REPORT 2023
“SUSTAINABLE PRODUCTIVITY”**

**AUGUST 2023
ONLINE**

Yang Berhormat Senator Tengku Datuk Seri Utama Zafrul
Tengku Abdul Aziz, Minister of Investment, Trade and Industry
(MITI)

Yang Berbahagia Datuk Seri Isham Ishak
Secretary General of MITI

Yang Berusaha Encik Zahid Ismail
Deputy Director General of MPC

Ladies and gentlemen

Assalamualaikum and *Salam Produktiviti*

1. I am delighted to welcome everyone to the launching of Productivity Report 2023, with the theme “Sustainable Productivity”, denoting Malaysia Productivity Corporation (MPC)’s insightful exploration in driving the productivity of the nation.
2. With this report, MPC reaffirms its commitment to boosting Malaysia’s productivity and competitiveness at the national, sectoral, and enterprise levels – a dedication to improving effectiveness, efficiency, and performance across sectors.

3. MPC projects that productivity will sustain its positive performance this year at 3.0 percent, and we are multiplying our effort towards achieving the target amidst global and domestic economic challenges.

Ladies and gentlemen,

4. Increasing productivity is crucial for businesses and economies, leading to heightened competitiveness. This can be achieved through investing in technology, enhancing workforce skills, and fostering ease of doing business. There is a strong correlation between productivity and wage growth. When productivity rises, businesses generate more output, allowing potential wage increases for workers. Higher productivity signifies improved efficiency in resource utilisation. It contributes to lower costs, lower prices, increasing consumer purchasing power and real incomes.
5. The MADANI Economy focuses on empowering the people. Implementing the framework will revitalise Malaysia's economy and generate benefits to enable the people to have better living standards. Achieving this goal entails a more productive and competitive Malaysia.

6. MPC focuses on productivity improvement initiatives based on crucial productivity drivers – talent, technology, and regulations, as presented in the report. MPC's roles and responsibilities are pronounced as the Secretariat for the Special Taskforce to Facilitate Business (PEMUDAH) and the Special Taskforce for Agency Reform (STAR), emphasising its significant contribution to the nation's growth and development, socially and economically, where productivity cuts across all aspects.

Ladies and gentlemen,

7. MPC's efforts underline a broad, far-reaching approach. Its macro-level interventions, policy recommendations, and framework are curated to enable a productivity-enhanced environment.
8. In talent development, MPC addresses the challenges in building a competent, demand-driven workforce by tackling the issues of education attainment performance, employee compensation, and over-reliance on low- and semi-skilled workers. The aim is to mould a skilled workforce to cater for the industry's requirements. This, in turn, is translated into higher salaries and wages. MPC is working closely with its strategic partners to scale up the Academy in Industry (Ail)

initiative, a work-based learning programme emphasising skills development.

9. Next, in increasing technology adoption and digitalisation, especially among the Micro, Small, and Medium Enterprises (MSMEs), MPC is boosting efforts at sectoral and firm levels. The aspiration is to have industries in Malaysia fuelled by innovative ideas and models led by local productivity champions to increase performance through digital and technological applications. Towards this goal, MPC has established the Digital Platform Network Plus (DPN+) and implemented the Productivity Step-up Programme to facilitate businesses in their digital transformation.
10. Furthermore, MPC is committed to enhancing Malaysia's ease of doing business through regulatory reform initiatives. MPC works with various government bodies and industries to build a more conducive business ecosystem through quality regulations. At the national level, MPC is spearheading and facilitating the establishment of the Malaysia Mudah or MyMudah platform, the application of Behavioural Insights or BI in policymaking, and the execution of the National Policy on Good Regulatory Practice (NPGRP). Evidence-based policymaking and delivery are the foundation of our reformative actions.

11. As we forge ahead, our resolve remains steadfast - to elevate Malaysia's productivity and competitiveness. We understand that this ambition is not ours alone. It is a shared objective that requires all stakeholders' collective efforts. Together, we can ensure that our nation continues to thrive, for the prosperity of this generation and the ones to come.
12. Productivity Report 2023 embodies MPC's unwavering commitment to fostering productivity culture in Malaysia. It presents an exposition of our strategic focuses. I hope this report will benefit all parties as we collectively strive for sustainable productivity.
13. On that note, I thank all MPC's strategic partners from the public and private sectors, the academia and the communities for working hand-in-hand with us in pursuing higher productivity growth.
14. I invite all parties to go through the report, and we highly appreciate any feedback regarding additional measures to enhance Malaysia's productivity and competitiveness.

Thank you and let us have a productive day ahead.

