

**MPC: Productivity levels much lower than those of benchmark countries**  
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PETALING JAYA: Malaysians work longer hours than their counterparts in many benchmark countries, but produce less than them.

According to the Malaysian Productivity Corporation, our employee productivity levels are a lot lower than those of countries like the United States, Japan, United Kingdom, South Korea and Singapore.

MPC director-general Datuk Mohd Razali Hussain, citing the 2011 Productivity Report, said Malaysian workers had a productivity value of RM43,952 a year.

"But compared with Singapore, Hong Kong, Taiwan, South Korea, Japan and the United States, we are still far behind," Razali said.

He added that the country was still recording an average productivity growth of 4.5% annually, which was lower than that of Indonesia and India.

Labour productivity levels are measured by the real gross domestic product over the number of workers in the country.

"In other words, it is how many workers it takes to produce a profit," said Razali.

According to the report, which analyses information from the Department of Statistics, workers in the top benchmark countries outperformed Malaysian workers almost six times over.

American workers topped the list with a productivity level of RM285,558 a year, followed by employees in Japan (RM229,568) and Hong Kong (RM201,485) (see graphic).

In 2011, Malaysia had a productivity growth rate of 4.55%, which MPC said was on track for the country in becoming a high-income nation by 2020 with a productivity level of RM87,500.

However, Malaysians lost out to several benchmark Asian countries like China, which had a growth rate of 8.7%, Indonesia (5%) and India (4.8%).

"Even though we can see there is growth based on the data we have, Malaysian workers have not been creating enough with the resources that we have," said Razali.

He clarified that an employee's productivity was not measured by the number of hours clocked in but rather by his or her overall output during working hours.

"Actually, most hours are not spent being productive. We have had foreign agencies complain that their Malaysian staff were taking very long tea breaks," he said.

Razali said that working long hours could even be counter-productive.

"There is a lot of waste in productivity when you drag the hours ... The company would have to pay more for electricity and overtime," he added.

Razali said management practices should be reviewed to boost productivity.

He stressed the need to reward employees for better productivity with gain sharing, and suggested project-based incentives, improving workplace conditions and providing more flexible time for employees to rest while on the job.

According to the report, productivity levels grew by 2.82% with improvements in labour efficiency recorded in five key economic sectors.

Productivity levels in the services sector expanded by 4.9% to RM53,938 in 2011.

The agriculture sector grew by 6.23% to RM29,466, while manufacturing increased by 1.97% to RM54,509.

Construction productivity levels went up by 3.09% to RM24,635 in 2011, while the mining sector recorded a negative productivity growth of -6.14% to RM866,246 from RM922,914.

Asked why the mining sector had a negative productivity rate when its turnover was higher than other sectors, Razali said this was because the turnover did not correlate with the large workforce.

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