

'Faster' countries overtook Malaysia in competitiveness ranking, says minister
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PETALING JAYA, June 4 — Malaysia suffered from a stagnant global competitiveness ranking because it has been overtaken by other “faster” countries, minister Datuk Seri Mustapa Mohamed (picture) said today.

The comment by the minister of international trade and industry comes amid a slip in Malaysia’s World Competitiveness Yearbook 2013 ranking from 14th last year to 15th, continuing a three-year steady trend since its fall from 10th to 16th in 2011.

“We have been improving but many other countries have been running faster than us,” Mustapa told reporters after launching this year’s Malaysia Productivity Report here.

“The UAE has been a very outstanding example in what countries can do with respect to government efficiency.”

Mustapa also singled out the UAE for praise in his speech, admiring the emirates for following the principles that promote an accountable, lean, innovative and forward-looking government.

In the International Management Development (IMD) World Competitiveness Yearbook 2013 ranking, the UAE leapfrogged several countries to rise from 16th place to 8th.

Mustapa however stressed that Malaysia was still ranked first among countries with a per capita income below US\$20,000, and was second among ASEAN countries.

“We have to pull our socks, we cannot be satisfied with what we’ve achieved,” he added.

Earlier, the Malaysia Productivity Corporation (MPC) reported that Malaysia’s productivity grew two per cent last year from RM57,737 in 2011 to RM58,875.

Last month, MPC had also outlined in the World Competitiveness Yearbook 2013 report several challenges that the country is facing this year, including reducing the budget deficit and achieving fiscal balance for economic sustainability.

Bank Negara Malaysia (BNM) governor Tan Sri Dr Zeti Akhtar Aziz had also expressed the same concern, urging the government to carry out its pre-election pledges within the budget.

“The pre-election pledges were made taking into consideration all our commitments,” Mustapa responded today, as he tried to allay fears of an increasing fiscal deficit from pre-polls promises.

Barisan Nasional (BN) had made election pledges of cheaper cars, fuel price cuts, building cheaper homes and more cash in the people’s pockets — which are estimated to cost around RM20 billion.

Meanwhile, Putrajaya is expecting to narrow Malaysia’s fiscal deficit to 4 per cent of GDP by this year, and 3 per cent by 2015.

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