

EXECUTIVE SUMMARY

TITLE	:	Fact Finding and Benchmarking Visit to Australia on Transformation of Wages to Increase Productivity for Sustainable Workforce
OBJECTIVES	:	<ul style="list-style-type: none"> • To study and understand adaptability of various profit-sharing models which include on several factors such as firm size, organizational structure, workforce structure, industrial relation, union and regulation; • To benchmark Australia's best practices in profit sharing model to increase labour compensation share to GDP; and • To identify and observe Australia's best practices and various forms of profit-sharing models offer full flexibility for industries to be implemented.
EXPECTED OUTCOMES	:	<ul style="list-style-type: none"> • Best practice on profit-sharing models to provide employees with incentives for improved performance. The wage increment promotes productivity growth. • Learning experience on effective transformation wages model and strategy that can be adopted for sustainable workforce. • Gaining insights and ideas on the need for having proper guidelines for profit-sharing models. These guidelines can be used as a reference to industries and documentation to the relevant stakeholders.
DATE & VENUE	:	27 August - 2 September 2023, Australia
DELEGATES (S)	:	Ministry of Economy, MOHA, MITI, MOHR, DOSM, Talent Corporation, UPM & MPC
ESTIMATED COST	:	TWIP Budget = RM 338,040.00 Operation Budget = RM 15,640.00 TOTAL = RM353,680.00
BUDGET	:	TWIP 2023 Budget & Operation Budget
RECOMMENDED BY	:	Talent Development, People Productivity
Comment/ Signature by PCT		

Fact Finding and Benchmarking Visit to Australia on Transformation of Wages to Increase Productivity for Sustainable Workforce

1.0 Purpose

The purpose of this paper is to request approval from MPC Board of Management on Fact Finding and Benchmarking Visit to Australia on Transformation of Wages to Increase Productivity for Sustainable Workforce.

2.0 Background

In line with the Twelve Malaysia Plan (RMK-12) and Malaysia Productivity Blueprint (MPB), human capital is a key driver of economic growth and socioeconomic development. Efforts to accelerate human capital development is vital for Malaysia to progress in the future. In this context, emphasis should be given towards initiative on Talent Development and Managing the Labor Workforce. A high-quality education system will produce a high-calibre talent pool which possess relevant industrial skills and is highly adaptable. However, there are still issues that persist in the labour market and in the education system that needs to be addressed. These facts finding and benchmarking visits is one of the initiatives to benchmark best practices in the Transformation of Wages and it would be beneficial to support initiatives by the government that focus on realigning the workforce structure for inclusive and sustainable growth as well as developing proper guidelines for profit-sharing models.

3.0 Objectives of the programme

- i. To study and understand adaptability of various profit-sharing models which include on several factors such as firm size, organizational structure, workforce structure, industrial relation, union and regulation.
- ii. To benchmark Australia's best practices in profit sharing model to increase labor compensation share to GDP; and
- iii. To identify and observe Australia's best practices and various forms of profit-sharing models offer full flexibility for industries to be implemented.

4.0 Expected Date & Venue

27 August - 2 September 2023, Australia

5.0 Expected outcomes

- i. Best practice on profit-sharing models to provide employees with incentives for improved performance. The wage increment promotes productivity growth.
- ii. Learning experience on effective transformation wages model and strategy that can be adopted for sustainable workforce.
- iii. Gaining insights and ideas on the need for having proper guidelines for profit-sharing models. These guidelines can be used as a reference to industries and documentation to the relevant stakeholders.

6.0 Participants Nominations

NO	NAME	DESIGNATION	ORGANISATION
1	Mr. Che Rahim Bin Daud	Director	Human Capital Development Division Ministry of Economy (MOE)
2	Mr. Megat Yusman Megat Jamaludin	Deputy Director	Human Capital Development Division Ministry of Economy (MOE)
3	TBC	TBC	Ministry of Investment, Trade & Industry (MITI)
4	TBC	TBC	Ministry of Investment, Trade & Industry (MITI)
5	TBC	TBC	Ministry of Home Affairs (MOHA)
6	TBC	TBC	Bahagian Dasar (MOHR)
7	TBC	TBC	Jabatan Perhubungan Perusahaan Malaysia (JPPM, MOHR)
8	TBC	TBC	PERKESO, MOHR
9	TBC	TBC	Department of Statistic Malaysia (DOSM)
10	TBC	TBC	Talent Corporation (TalentCorp)
11	TBC	TBC	Talent Corporation (TalentCorp)
12	TBC	TBC	Jabatan Imigresen Malaysia, MOHA
13	TBC	TBC	Jabatan Imigresen Malaysia, MOHA
14	Prof. Madya. Dr. Mohd Yusof Saari	Economic Analyst	Centre for Future Market Labour Studies (EU-ERA)
15	Dr. Mazrina Mohamed Ibramsah	Deputy Director General	Malaysia Productivity Corporation (MPC)

16	Dr. Suriati Zainal Abidin	Deputy Director	Malaysia Productivity Corporation (MPC)
17	Ms. Siti Sakinah Mohd Zaki	Assistant Manager	Malaysia Productivity Corporation (MPC)
18	Ms. Nurfayunie Pakhrururzi	Assistant Manager	Malaysia Productivity Corporation (MPC)

7.0 Estimated Expenses

No	Item	Description	TWIP Funded Budget		Estimated Cost (RM)
1.	Flight ticket & Insurance Kuala Lumpur – Melbourne - Kuala Lumpur	Economy RM 6,240 per pax Business Class RM 21,700 per pax	18 pax	RM6,240 x 17 pax RM21,700 x 1 pax	106,080 21,700
2.	Ground Package (7 days 6 nights)	Hotel Transportation Insurance Entrance Fee Tipping Parking Tour Guide/ Leader	18 pax	RM11,220 (Standard Room) x 17 pax RM12,020 (Deluxe Room) x 1 pax	190,740 12,020
3.	Australia Visa		18 pax	RM250 x 18 pax	4,500
4.	Booklet Printing/ Banner with design			RM3,000	3,000
5.	<u>Operational Cost:</u> 1. Meal Allowance	E41: RM255 E52: RM270 JUSA C: RM340		RM255 x 6 days x 2 pax RM270 x 6 days x 1 pax RM340 x 6 days x 1 pax	3,060 1,620 2,040
6.	<u>Operational Cost:</u> 2. Other Cost	<ul style="list-style-type: none"> • Elaun Baju Panas • Telecommunication • Token of appreciation (6 organizations) • Local transport – claim mileage. • Passport 		RM1,500 x 4 pax RM30 x 6 days x 4 pax RM100 x 6 companies RM200 x 4 pax RM200 x 4 pax	6,000 720 600 800 800
	Estimated Total Cost				RM353,680

TWIP Budget = RM 338,040.00
Operation Budget = RM 15,640.00

8.0 Approval From BOM

The approval of Board of Management (BOM) is sought on the estimated total expenses of **RM353,680.00** for the program.

Prepared by:



Siti Sakinah Mohd Zaki

Assistant Manager

Date: 6 June 2023

Reviewed by:



Dr. Suriati Zainal Abidin

Deputy Director

Date: 6 June 2023

Approved by:



Mohamad Muzaffar Abdul Hamid

Director

Date: 6 June 2023

Appendix 1

DRAFT AGENDA

Fact Finding and Benchmarking Visit to Australia on Transformation of Wages to Increase Productivity for Sustainable Workforce 27 August - 2 September 2023, Australia

Day 1 (27.8.2023/Sunday)	Depart from KLIA and ETA in Melbourne Airport on 27.8.2023 (average 6hrs flight)
Day 2 (28.8.2023/Monday)	<p>Courtesy visit to The Australia Institute's Centre for Future Work,</p> <p>Details: The Centre for Future Work is an initiative of the Australia Institute, to conduct and publish progressive economic research on work, employment, and labour markets.</p> <p>It serves as a unique centre of excellence on the economic issues facing working people: including the future of jobs, wages and income distribution, skills and training, sector and industry policies, globalisation, the role of government, public services, and more.</p> <p>The Centre will also develop timely and practical policy proposals to help make the world of work better for working people and their families.</p> <p>Visit to The Australian Bureau of Statistics (ABS)</p> <p>Details: Provides information on average weekly earnings by industry and occupation. This information can be useful for comparing compensation within a particular industry or occupation.</p>

Day 3 (29.8.2023/Tuesday)	<p>Courtesy Visit to The Fair Work Ombudsman</p> <p>Details: Provides information on minimum wages and conditions of employment for different industries and occupations. This information can be useful for ensuring that your compensation practices comply with Australian workplace laws.</p> <p>Visit to PayScale and Glassdoor</p> <p>Details: The online platforms that provide salary data and other compensation-related information for specific job titles and industries. These platforms can be helpful for benchmarking compensation against similar roles in your industry or region.</p>
Day 4 (30.8.2023/Wednesday)	<p>Visit to The National Careers Institute (NCI)</p> <p>Details: The Department of Employment and Workplace Relations enables access to quality skills, training and employment to support Australians find secure work in fair, productive and safe workplaces - supporting individuals, businesses, and the nation to prosper.</p>
Day 5 (31.8.2023/Thursday)	<p>Visit to company business excellence best practice. Suggestion: DHL (TBC)</p> <p>Details: DHL is the world's leading logistics company. Their strength 380,000 people in over 220 countries and territories work every day to help people cross borders, reach new markets and grow business.</p> <p>Visit to company on sustainability best practice. Suggestion: TBC</p>

Day 6 (1.9.2023/Thursday)	Visit company on business and human capital best practices. Suggestion: TBC Visit company on business and expatriate excellence practices Suggestion: TBC
Day 7 (2.9.2023/Friday)	Depart from Melbourne Airport and ETA 10:00 pm in Kuala Lumpur (average 6hrs flight)

**Agenda might have some changes subject to situation and suitable time*