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MEDIA STATEMENT



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LABOUR PRODUCTIVITY SECOND QUARTER OF 2024

National labour productivity grew 2.4 per cent in the second quarter of 2024, registered RM41.7 per hour

PUTRAJAYA, AUGUST 22, 2024 – Malaysia's labour productivity as measured by value added per hour worked grew 2.4 per cent with total hours worked increased 3.4 per cent to register 9.6 billion hours, as the economy strengthened at 5.9 per cent in the second quarter of 2024. This is reported by the Department of Statistics Malaysia (DOSM) in today's release of Labour Productivity Statistics, Malaysia, Second Quarter of 2024.

According to Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "Malaysia's economy strengthened at 5.9 per cent in the second quarter of 2024, showing a robust increase from the previous quarter's growth rate of 4.2 per cent. The number of employment increased to 16.6 million persons, indicating year-on-year growth of 2.8 per cent (Q1 2024: 16.4 million persons; 2.1%)."

Commenting further on the performance of labour productivity, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "In terms of value, labour productivity per hour worked in the second quarter of 2024 was RM41.7 per hour (Q1 2024: RM42.1 per hour), while labour productivity per employment recorded 3.1 per cent growth to register RM24,151 per person (Q1 2024: 2.1%; RM24,236 per person)."

He added that, "In terms of **sectoral performance** for labour productivity expressed as value added **per hour worked**, the **Construction** sector has driven the overall performance by posting a positive growth of 19.9 per cent (Q1 2024: 12.5%), followed by the **Agriculture sector** at 6.3 per cent (Q1 2024: 1.0%), **Mining and quarrying sector** at 4.0 per cent (Q1 2024: 2.7%), the **Manufacturing** sector at 3.0 per cent (Q1 2024: -0.3%), and the **Services** sector at 0.7 per cent (Q1 2024: 1.9%).

Four subsectors showed positive growth in labour productivity per hour worked for the **Services** sector, namely Finance and insurance (8.0%); Transportation and storage (7.1%); Real estate and business services (3.4%); and Wholesale and retail trade (1.3%), whereas the other four subsectors that recorded negative growth were Food & beverages and accommodation (-2.5%); Utilities (-1.3%); Information and communication (-0.9%); and Other services (-0.7%).

The positive growth in labour productivity per hour worked for **Manufacturing** sector was attributed to an increment across all of its subsectors, namely Non-metallic mineral products, basic metal and fabricated metal products (8.6%); Textiles, wearing apparel and leather products (5.8%); Beverages and tobacco products (5.7%); Wood products, furniture, paper products and printing (5.5%); Electrical, electronic and optical products (3.9%); Transport equipment, other manufacturing and repair (2.6%); except for Petroleum, chemical, rubber and plastic product (-1.1%); and Vegetable and animal oils & fats and food processing (-0.1%).

Detailing on the **sectoral performance** for labour productivity as measured by **value added per employment**, all sectors showed an increase, steered by the **Construction** sector at 16.3 per cent (Q1 2024: 10.7%), followed by the **Agriculture** sector at 6.0 per cent (Q1 2024: 1.7%); the **Manufacturing sector** at 3.1 per cent (Q1 2024: 0.2%), **Mining and quarrying** sector at 2.5 per cent (Q1 2024: 5.7%); and the **Services** sector at 2.2 per cent (Q1 2024: 2.0%).

The expansion in the labour productivity per employment for the **Services** sector was due to increment in six of its subsectors, namely Finance and insurance (7.5%); Real estate and business services (6.2%); Transportation and storage (5.8%); Other services (2.9%); Wholesale and retail trade (1.2%); and Information and communication (0.4%), while the other two subsectors recorded negative growth, namely Utilities (-2.8%); and Food & beverages and accommodation (-1.1%).

The significant increase in labour productivity per employment for the **Manufacturing sector** was driven by positive growth in all subsectors, particularly in Non-metallic mineral products, basic metal and fabricated metal products (6.3%); followed by Beverages and tobacco products (4.0%); Transport equipment, other manufacturing and repair (3.9%); Wood products, furniture, paper products and printing (3.8%); Electrical, electronic and optical products (3.0%); Vegetable and animal oils & fats and food processing (2.6%); Textiles, wearing apparel and leather products (2.4%); and Petroleum, chemical, rubber and plastic products (1.6%).

Concluding his statement, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "Labour productivity is expected to post a better outlook in the coming quarters as Malaysia's economic performance is getting better supported by the positive performance in the labour market and growing business activities."

Time series statistics and more information on the labour market can be obtained from the Malaysia Labour Market Interactive Data (MyLMID) portal. For more information, please visit https://mbls.dosm.gov.my/mylmid/ or scan the QR code below.



The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through https://open.dosm.gov.my.

DOSM is conducting the Agriculture Census 2024. Please visit https://www.myagricensus.gov.my/ for more information. The theme is "Agriculture Census, Key to Agricultural Development."

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is "Statistics is the Essence of Life". DOSM commemorates its 75th Diamond Jubilee in 2024.

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THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
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Chart 1: Labour productivity, value added per hour worked, Q1 2020 – Q2 2024

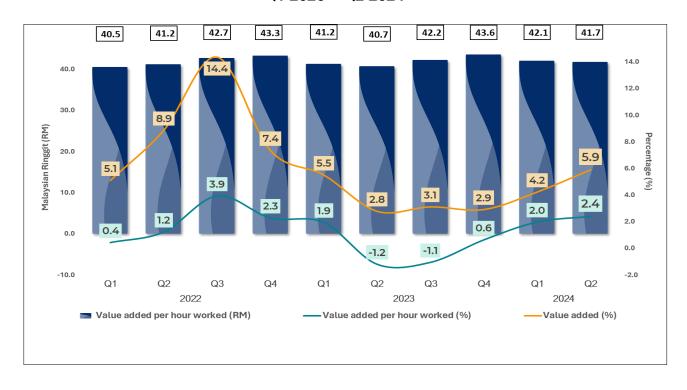


Chart 2: Labour productivity, value added per employment, Q1 2020 – Q2 2024

