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## **MEDIA STATEMENT**

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### **LABOUR PRODUCTIVITY FIRST QUARTER OF 2025**

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***Labour productivity per hour worked grew 1.0 per cent in the first quarter of 2025, registering RM42.5 per hour***

***PUTRAJAYA, MAY 22, 2025*** – Labour productivity per hour worked grew 1.0 per cent in the first quarter of 2025, registering RM42.5 per hour, the Department of Statistics Malaysia (DOSM) reported today in the release of ***Labour Productivity Statistics, Malaysia, First Quarter of 2025***.

According to Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, “Malaysia's economy expanded 4.4 per cent in the first quarter of 2025 as compared to 4.9 per cent in the fourth quarter of 2024, while the total hours worked increased 3.3 per cent to register 9.8 billion hours (Q4 2024: 3.5%; 9.7 billion hours).”

Adding to this, the Chief Statistician Malaysia stated that the total number of employed persons was 16.9 million, indicating a year-on-year growth of 3.0 per cent in the first quarter of 2025 (Q4 2024: 16.8 million person; 2.7%), while labour productivity per employment increased 1.3 per cent to record value added per employment at RM24,580 per person (Q4 2024: 2.1%; RM25,635 per person).

Elaborating on the **sectoral performance** for labour productivity, the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, “The labour productivity measured as

**value added per hour worked** for this quarter was driven by the growth in the **Construction** sector at 11.3 per cent (Q4 2024: 18.7%), followed by the **Manufacturing** sector at 2.8 per cent (Q4 2024: 2.2%), the **Services** sector at 0.5 per cent (Q4 2024: 0.9%) and the **Agriculture sector** at 0.1 per cent (Q4 2024: -1.9%), while the **Mining and quarrying** sector slumped at a negative 0.9 per cent (Q4 2024: -2.4%).”

Despite the small increase in labour productivity per hour worked for this quarter, the **Services sector** demonstrated performance variation among subsectors, namely Real estate and business services (6.0%), Transportation and storage (4.3%), Other services (2.8%), Information and communication (0.8%) and Wholesale and retail trade (0.6%). However, three (3) other subsectors showed a negative growth, namely Utilities (-6.3%), Food & beverages and accommodation (-2.5%) and Finance and insurance (-0.4%).

In the meantime, most of subsectors experienced growth in labour productivity per hour worked for the **Manufacturing sector** in Q1 2025, including Vegetable and animal oils & fats and food processing (9.3%), Beverages and tobacco products (7.1%), Electrical, electronic and optical products (6.6%), Textiles, wearing apparel and leather products (2.7%), Wood products, furniture, paper products and printing (1.9%) and Petroleum, chemical, rubber and plastic product (0.3%); except for Transport equipment, other manufacturing and repair (-6.1%) and Non-metallic mineral products, basic metal and fabricated metal products (-2.7%).

In terms of **sectoral performance** for labor productivity measured as **value added per employment**, the **Construction sector** drove the overall performance by posting an encouraging increase of 13.2 per cent (Q4 2024: 19.7%) during this quarter, followed by the **Manufacturing sector** at 2.2 per cent (Q4 2024: 2.8%), the **Services sector** at 0.8 per cent (Q4 2024: 1.8%) and the **Agriculture sector** at 0.3 per cent (Q4 2024: -1.9%), while the **Mining and quarrying sector** declined at a negative 3.2 per cent (Q4 2024: -1.1%).

The performance in labour productivity per employment for the **Services sector** in the first quarter of 2025 was attributed to the growth of six(6) subsectors, namely Real estate and business services (5.1%), Transportation and storage (4.3%), Other services (2.9%), Finance and insurance (0.8%), Food & beverages and accommodation (0.2%) and Wholesale and retail trade (0.1%); whereas two (2) other subsectors declined, namely Utilities (-5.9%) and Information and communication (-0.1%).

Meanwhile, five (5) subsectors recorded an increment in labour productivity per employment for the **Manufacturing sector** during this quarter, namely Electrical, electronic and optical products (6.4%), Vegetable and animal oils & fats and food processing (6.3%), Wood products, furniture, paper products and printing (1.1%),

*Petroleum, chemical, rubber and plastic products (1.0%) and Non-metallic mineral products, basic metal and fabricated metal products (0.9%). On the other hand, three (3) other subsectors deteriorated, namely Transport equipment, other manufacturing and repair (-8.8%), Textiles, wearing apparel and leather products (-0.6%) and Beverages and tobacco products (-0.1%).*

*Concluding his statement, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, " Propelled by sustainable labour market growth, thriving business activity and strengthening human capital, Malaysia's labour productivity is well positioned for a resilient positive outlook despite challenges in labour market reforms and economic uncertainties. Thus, the existence of the strategic implementation and workforce development are crucial in ensuring the enhancement of labour efficiency."*

*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.*



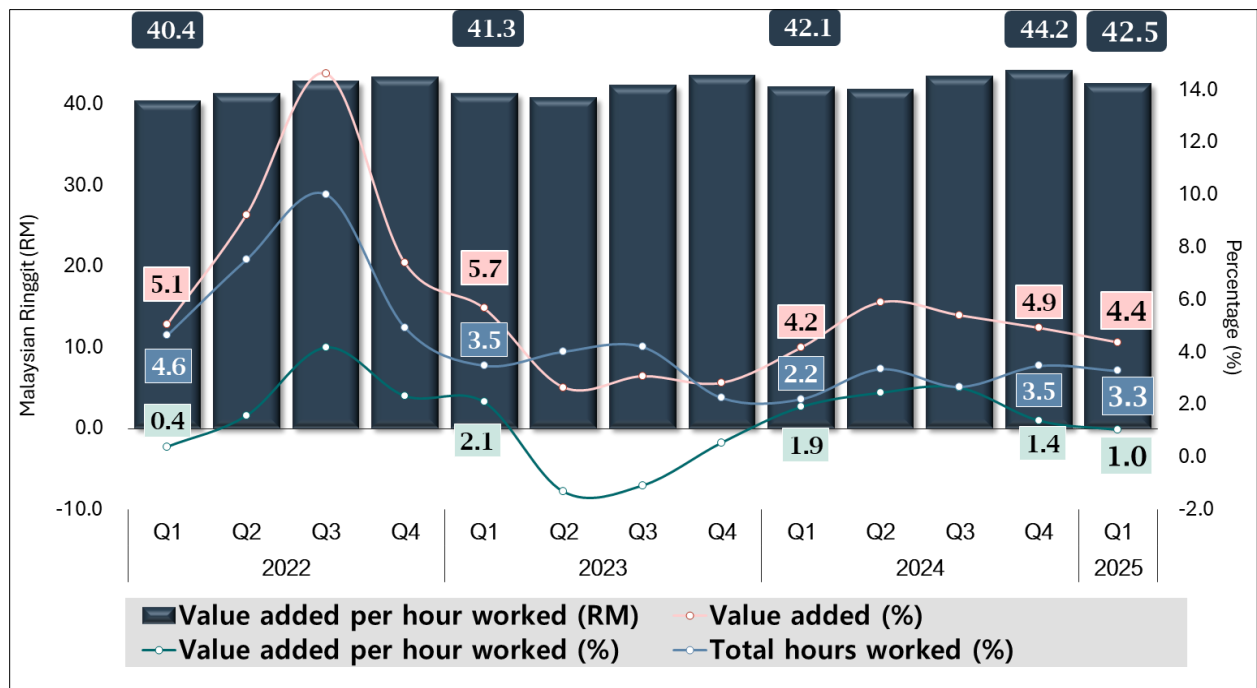
*ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.*

*Malaysia, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 198 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.*

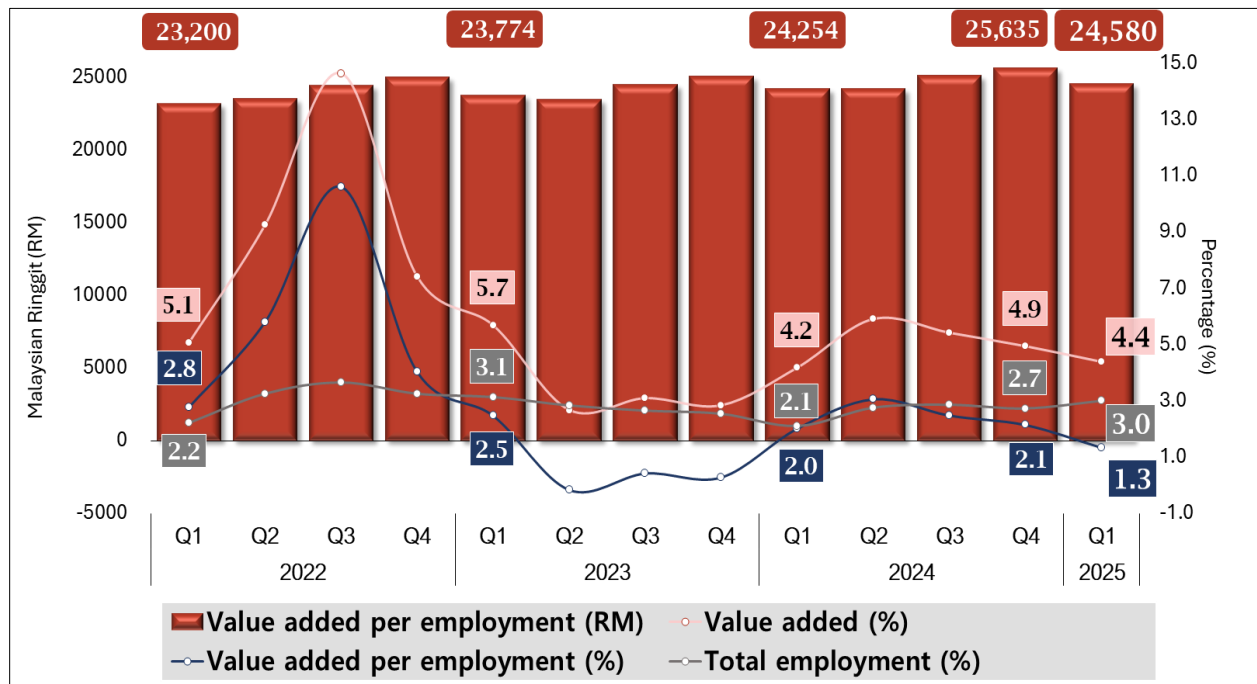
*The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day will be celebrated on 20<sup>th</sup> October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.*

*OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.*

**Chart 1: Labour productivity, value added per hour worked, Q1 2022 – Q1 2025**



**Chart 2: Labour productivity, value added per employment, Q1 2022 – Q1 2025**



*Released by:*

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
DEPARTMENT OF STATISTICS MALAYSIA  
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