



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

LABOUR PRODUCTIVITY, FOURTH QUARTER OF 2025

Labour productivity per hour worked grew 4.9 per cent to RM46.3 per hour in the fourth quarter of 2025

PUTRAJAYA, 23RD FEBRUARY 2026 – Labour productivity per hour worked grew 4.9 per cent to RM46.3 per hour in the fourth quarter of 2025, the Department of Statistics Malaysia (DOSM) reported today in its release of **Labour Productivity Statistics, Malaysia, Fourth Quarter 2025**.

According to the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "Malaysia's economy expanded 6.3 per cent in the fourth quarter of 2025, as compared to 5.4 per cent in the preceding quarter. During the same period, total hours worked increased by 1.4 per cent to 9.9 billion hours (Q3 2025: 1.3%; 9.8 billion hours)."

Commenting further, he stated, "Total employment rose to 17.1 million persons in the fourth quarter of 2025, registering a year-on-year growth of 1.8 per cent (Q3 2025: 17.0 million persons; 1.5%). Meanwhile, labour productivity per employment increased 4.4 per cent to record value added per employment at RM26,765 per person (Q3 2025: 3.9%; RM26,122 per person)."

He added, "The **sectoral performance** for labour productivity measured as **value added per hour worked** for this quarter was supported by growth across all sectors, underpinned by **Construction** 10.3 per cent (Q3 2025: 10.2%), followed by **Manufacturing** 6.4 per cent (Q3 2025: 4.2%), **Agriculture** 5.5 per cent (Q3 2025: 1.0%), **Mining and quarrying** 5.1 per cent (Q3 2025: 9.7%) and **Services** 4.0 per cent (Q3 2025: 3.4%)."

The growth in labour productivity per hour worked in the **Services sector** in this quarter was attributed to the expansion across all subsectors, except for Utilities (-1.0%) and Finance and insurance (-0.8%). Food & beverages and accommodation drove the overall performance by posting a growth of 7.9 per cent, followed by Other Services (7.2%), Information and communication (6.4%), Transportation and storage (5.6%), Real estate and business services (2.8%) and Wholesale and retail trade (2.4%).

Meanwhile, during this quarter, the **Manufacturing sector** demonstrated growth in labour productivity per hour worked across all of its subsectors, except for Transport equipment, other manufacturing and repair (-2.7%). Strong expansions were recorded in Vegetable and animal oils & fats and food processing (15.8%), Electrical, electronic and optical products (11.4%), Beverages and tobacco products (10.6%), Non-metallic mineral products, basic metal and fabricated metal products (4.1%), Textiles, wearing apparel and leather products (2.3%), Wood products, furniture, paper products and printing (2.0%) and Petroleum, chemical, rubber and plastic product (1.5%).

In terms of labour productivity measured by **value added per employment**, each sector showed different growth rates during this quarter. The **Construction** sector led the overall performance by posting a substantial rise of 10.1 per cent (Q3 2025: 10.8%), followed by **Agriculture** 5.4 per cent (Q3 2025: 0.2%), **Manufacturing** 5.1 per cent (Q3 2025: 3.5%), **Services** 3.7 per cent (Q3 2025: 3.3%) and **Mining and quarrying** 1.3 per cent (Q3 2025: 8.9%).

The expansion in labour productivity per employment in the **Services** sector in Q4 2025 was due to increment across most of its subsectors, notably Information and communication (7.3%), Other services (5.9%), Transportation and storage (5.7%), Food & beverages and accommodation (5.1%), Real estate and business services (4.9%), Wholesale and retail trade (3.2%) and Utilities (1.5%). Conversely, Finance and insurance recorded a decline of 0.7 per cent.

In the meantime, labour productivity per employment in the **Manufacturing** sector expanded during this quarter, supported by remarkable surge in Electrical, electronic and optical products (10.7%), Vegetable and animal oils & fats and food processing (9.8%), Beverages and tobacco products (5.8%), Non-metallic mineral products, basic metal and fabricated metal products (4.4%), Wood products, furniture, paper products and printing (2.2%), Petroleum, chemical, rubber and plastic products (0.5%) and Textiles, wearing apparel and leather products (0.3%). By contrast, Transport equipment, other manufacturing and repair recorded a reduction of 1.7 per cent.

Commenting further on the overall performance of labour productivity for the full year 2025, the Chief Statistician Malaysia said, "The performance of labour productivity per hour worked for the year 2025 demonstrated a positive momentum at 3.7 per cent (2024: 2.1%), recording value added per hour worked of RM44.5 per hour (2024: RM42.9 per hour). Likewise, labour productivity per employment accelerated 3.4 per cent (2024: 2.4%) with value added per employment at RM102,672 per person (2024: RM99,265 per person). Overall, all sectors recorded stable positive momentum throughout the year.

Concluding his statement, Chief Statistician Malaysia said, " Malaysia's labour productivity is well positioned towards a positive outlook in 2026, supported by stable labour market and sustainable economic performance throughout the year. The substantial growth in national labour productivity indicates that we are moving in the right direction, using labor more efficiently. Continued investment in skills

development, digital adoption and technological advancement will be crucial. Strengthening productivity is essential to enhance competitiveness, support sustainable wage growth and ensure long term economic resilience.”

The Department of Statistics Malaysia (DOSM) is conducting the **Economic Census 2026 (BE2026)**, with themed “**Data Nadi Ekonomi Rakyat**”. The sixth Economic Census, will be carried out from **5th January to 31st October 2026**. BE2026 aims to collect comprehensive and structured data from all registered and unregistered business establishments in Malaysia to assess the nation’s economic performance, structure and characteristics in an evidence-based manner.

Malaysia has, for the first time, successfully secured the **top position** globally in the biennial **Open Data Inventory (ODIN) 2024/25** report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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>.

MyLabourHub is a comprehensive platform that integrates institutions, data and technology to deliver relevant, accurate and accessible labour market information. Access the labour market data for Malaysia at <https://mylabourhub.dosm.gov.my>.

Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
23 FEBRUARY 2026

Chart 1: Labour productivity, value added per hour worked, Q1 2022 – Q4 2025

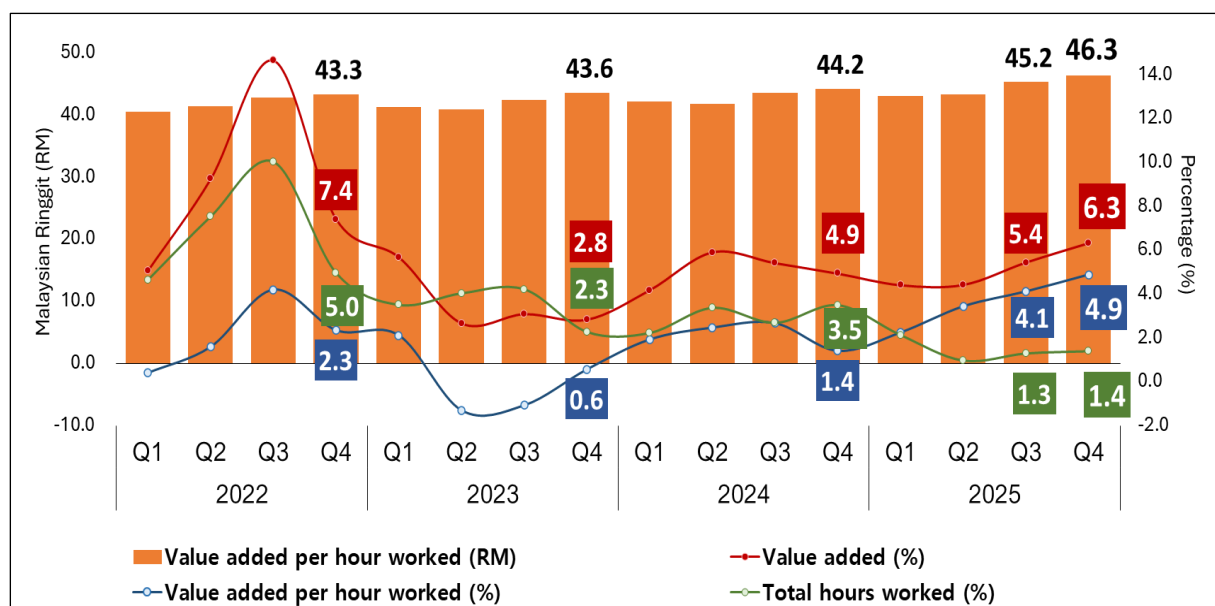


Chart 2: Labour productivity, value added per employment, Q1 2022 – Q4 2025

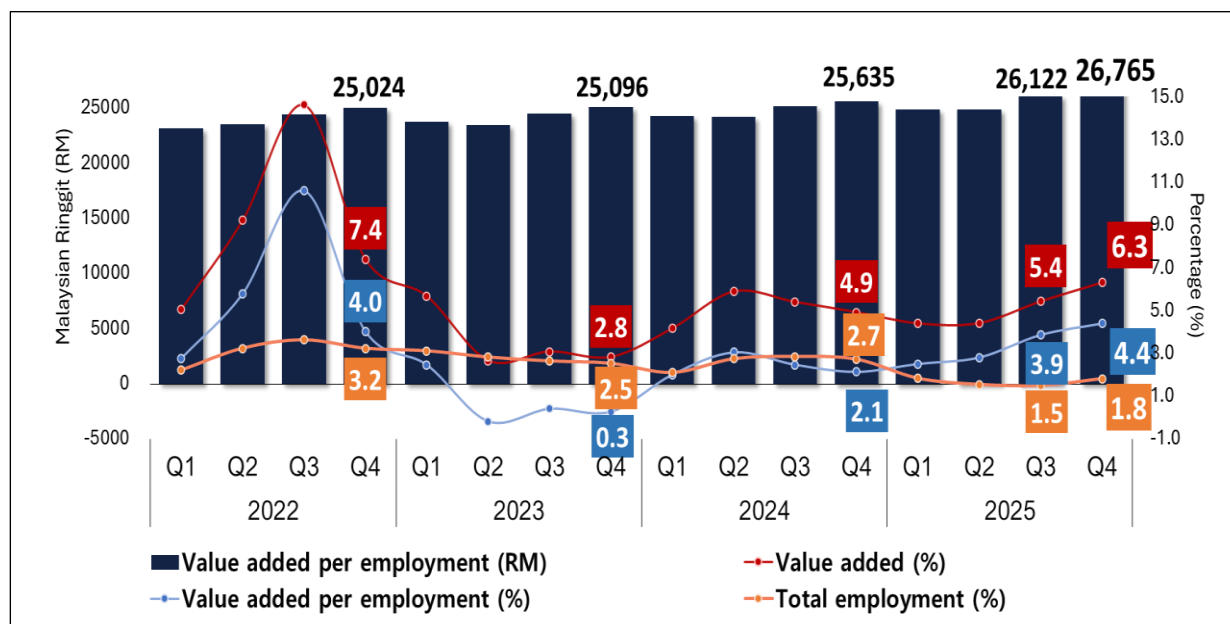


Chart 3: Labour productivity, value added per hour worked, 2020 – 2025

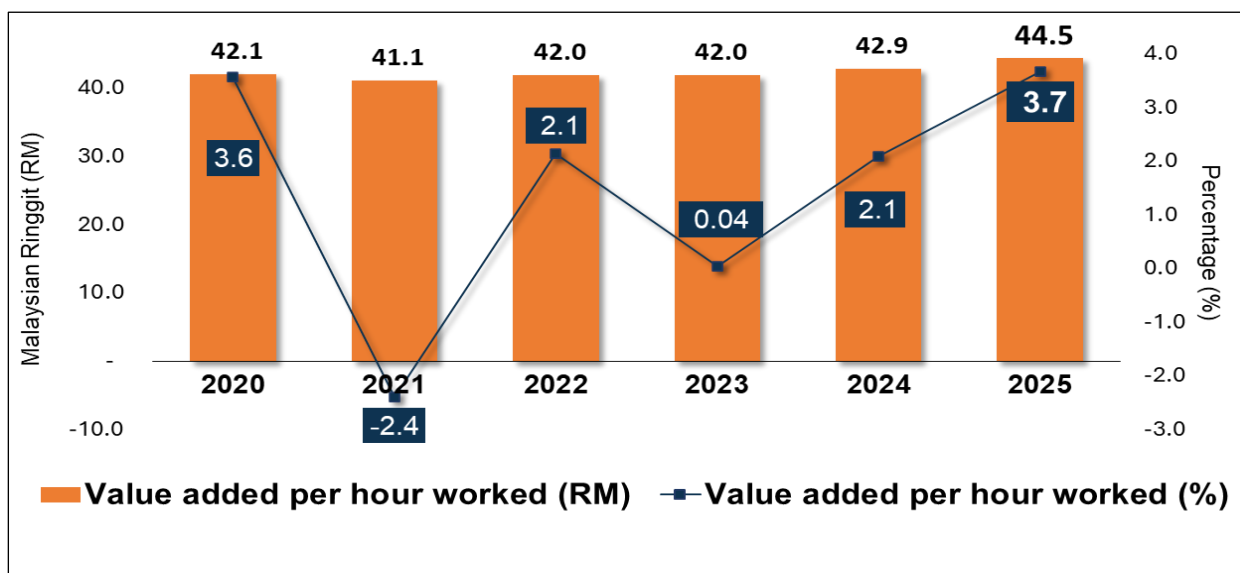


Chart 4: Labour productivity, value added per employment, 2020 – 2025

