



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
FOR LABOUR PRODUCTIVITY FIRST QUARTER 2023

Labour productivity posted 2.1 per cent growth with total hours worked increased 3.5 per cent to register 9.2 billion hours in the first quarter of 2023

PUTRAJAYA, 18th May 2023 – Malaysia’s labour productivity as expressed by value added per hour worked posted 2.1 per cent growth with total hours worked increased 3.5 per cent to register 9.2 billion hours in the first quarter 2023, as reported by the Department of Statistics Malaysia (DOSM) today in the release on **Labour Productivity Statistics, Malaysia, First Quarter of 2023**.

According to Dato' Sri Dr. Mohd Uzir Mahidin, Chief Statistician Malaysia, “Malaysia’s economy in the first quarter of 2023 expanded 5.6 per cent after recorded a growth of 7.1 per cent in the previous quarter. The number of employment increased to 16.1 million persons, or a growth of 3.1 per cent (Q4 2022: 15.9 million persons; 3.2%).”

While elaborating on the performance of labour productivity, he said, “In terms of value, labour productivity per hour worked in the first quarter of 2023 was RM41.2 (Q4 2022: RM43.2 per hour), while labour productivity measured as value added per employment increased 2.4 per cent to record RM23,712 (Q4 2022: 3.7%; RM24,966 per person).”

*In terms of **sectoral performance** for labour productivity measured as valued added per hour worked, four sectors posted increases preceded by **Construction** sector at 6.5 per cent (Q4 2022: 8.0%), followed by **Services** sector at 2.8 per cent (Q4 2022: 2.5%), **Mining & quarrying** at 1.6 per cent (Q4 2022: 4.2%), and **Manufacturing** at 0.2 per cent (Q4 2022: 0.3%), while **Agriculture** remained sluggish (-0.9%).*

*The main subsectors contributed to the increase in **Services** sector were Transportation & storage (8.8%); followed by Finance and insurance (6.7%); Food & beverages and accommodation (5.2%); Wholesale & retail trade (4.9%); Real estate & business services*

(4.9%); and Other services (3.0%); while other subsectors remained subdued with a negative growth.

Meanwhile, the labour productivity of the **Manufacturing** sector was mainly led by Beverages & tobacco products subsector (5.6%); followed by Textiles, wearing apparel & leather products (4.4%); Vegetable and animal oils & fats and food processing (2.2%); and Non-metallic mineral products, basic metal & fabricated metal products (1.9%).

In terms of **sectoral performance** for labour productivity as expressed by value added per employment, the **Construction** sector was leading at 6.7 per cent (Q4 2022: 10.0%), followed by **Services** sector at 3.1 per cent (Q4 2022: 4.1%), **Mining & quarrying** at 1.9 per cent (Q4 2022: 6.0%), and **Manufacturing** at 0.7 per cent (Q4 2022: 1.6%), while **Agriculture** fell 0.2 per cent (Q4 2022: 1.7%).

The catalyst subsectors for growth in the **Services** sector was preceded by Transportation & storage (8.9%); followed by Real estate & business services (7.1%); Wholesale & retail trade (6.3%); Food & beverages and accommodation (3.9%); and Other services (3.4%); however, other subsectors recorded a negative growth.

Meanwhile, **Manufacturing** sector labour productivity was mainly contributed by Textiles, wearing apparel & leather products subsector at 7.4 per cent; followed by Beverages & tobacco products (3.3%); Non-metallic mineral products, basic metal & fabricated metal products (2.5%); and Vegetable and animal oils & fats and food processing (2.2%).

Dato' Sri Dr. Mohd Uzir Mahidin concluded his statement on today's release by saying, "As Malaysia's economy is recovering, despite the anticipated low steam of economic growth this year, labour productivity is expected to post a better outlook in the coming quarters as supported by the positive momentum of labour market development and thriving businesses activities. Further to this, the country's determination in accelerating technology adoption and innovation, and to push towards innovation-centric economic growth, will ascertain the enhancement of innovation-driven businesses and targeted high performance labour productivity."

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) is conducting the Economic Census in 2023. DOSM greatly appreciates the cooperation of respondents in providing information and ensuring the success of this census. Please visit www.dosm.gov.my for more information.

DOSM has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisation to facilitate users in analysing various data. OpenDOSM NextGen is an open source data sharing platform and accessible through <https://open.dosm.gov.my> portal.

Please be informed that the Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20 each year. MyStats Day theme is “Connecting the World with Data We Can Trust”.

Chart 1: Labour productivity, value added per hour worked, Q1 2018 – Q1 2023

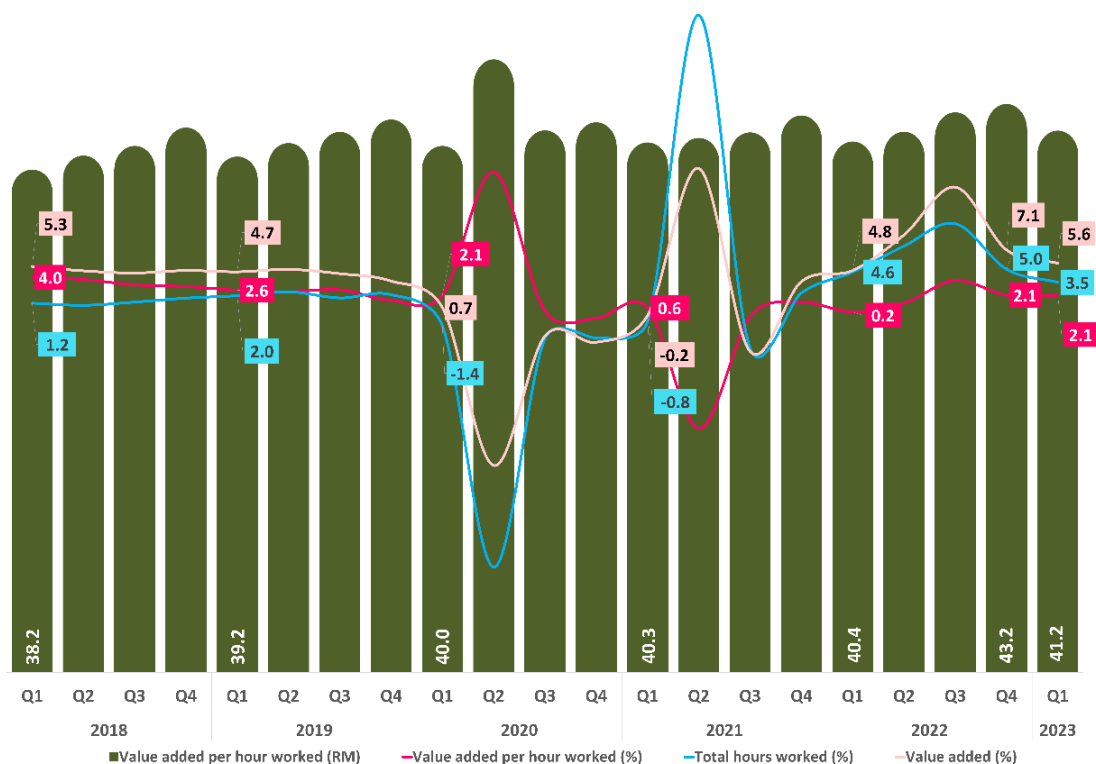
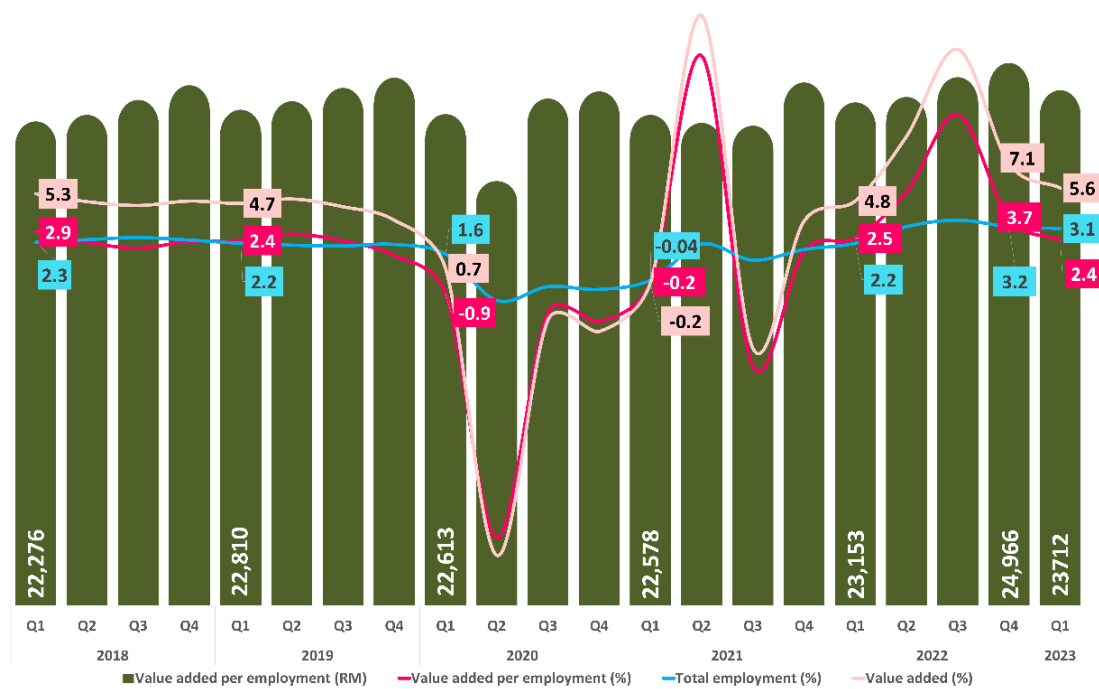


Chart 2: Labour productivity, value added per employment, Q1 2018 – Q1 2023



Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
18TH MAY 2023**