

MEDIA STATEMENT EMPLOYEE WAGES STATISTICS (FORMAL SECTOR) REPORT, SECOND QUARTER 2023

Median wages of formal citizen employees rose by 4.9 per cent in June 2023 to record RM2,600 as compared to June 2022.

PUTRAJAYA, 30 November 2023 – Median wages of formal citizen employees rose by 4.9 per cent in June 2023 to record RM2,600 as compared to June 2022, the Department of Statistics Malaysia (DOSM) reported today on the release of the **EMPLOYEE WAGES STATISTICS (FORMAL SECTOR) REPORT, SECOND QUARTER 2023**. The compilation of these statistics is based on administrative data sources obtained from relevant agencies, which focus on the citizens who work in the formal sector, notably in the private sector.

Commenting further on the report, the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "The number of Malaysian formal employees in June 2023 was 6.60 million persons, an increase of 1.6 per cent compared to the same month in the previous year. This number accounted for nearly two-thirds (64.3 per cent) of the total citizens-paid employees in the formal sector. In the meantime, the median monthly wages in June 2023 increased by 4.9 per cent year-on-year to register RM2,600".

Looking at the comparison by sex, male formal employees comprised 55.5 per cent (3.66 million persons) of the total formal employees in June 2023, received higher median monthly wages than females. The median monthly wage for male formal employees stood at RM2,645 while female formal employees who made up 44.5 per cent (2.94 million persons) of total formal employees earned RM2,527.

Looking at detailed wages statistics by age group indicates the group that recorded the highest median monthly wages in June 2023 was 45 to 49 years which received RM3,500. This age group also received the highest median monthly wage in April 2023 (RM3,582) and May 2023 (RM3,482). Comparing June 2023 to the same month in the previous year, all age groups experienced an increase in median monthly wages, except for those below 20 years. The age group 60 to 64 years demonstrates the highest year-on-year growth in June 2023 which increased 11.7 per cent to RM2,764. Meanwhile, in April 2023, the age group below 20 years enjoyed the highest year-on-year growth (25.0%), the highest for four consecutive months since January 2023. However, the age group below 20 years recorded slower growth of median monthly wages in May 2023 (year-on-year growth: 5.5%) and stagnant in June 2023 (year-on-year growth: 0.0%) due to the base effect of the implementation of the new minimum wage rate of RM1,500 in 2022 had subsided.

Expanding on the wages situation across economic activity in the second quarter of 2023, Mining & quarrying notably registered substantial double-digit year-on-year growth in median monthly wages in June 2023 at RM5,200, despite only representing 0.5 per cent of the total formal employees. All sectors recorded a year-on-year increase in median monthly wages in June 2023 except for the Agricultural sector, which registered a decrease of 0.9 per cent to RM1,927.

Further disaggregation of wages situation by state in June 2023, Dato' Sri Dr. Mohd Uzir Mahidin said, "All states indicated positive growth year on year in terms of the median monthly wages. Three states posted a greater median monthly wages compared to the national median monthly wages of RM2,600, namely Wilayah Persekutuan Kuala Lumpur registered the highest median monthly wages at RM3,822, followed by Selangor at RM2,945 and Pulau Pinang at RM2,645. However, Kelantan, Perlis and Sabah registered the lowest median monthly wages with RM1,600, RM1,600 and RM1,800 respectively".

In terms of wages distribution in June 2023, the Chief Statistician stated that the wage distribution showed that 34.7 per cent of formal employees in Malaysia earned below RM2,000, marking a decrease of 3.6 percentage points from the 38.3 per cent recorded in June 2022. Concurrently, approximately 7.9 per cent of formal citizen employees earned wages exceeding RM10,000. Meanwhile, the percentile analysis indicates that the median monthly wages of the highest wages recipient group (90th percentile) is at least five times higher than the median monthly wages of the lowest wages recipient group (10th percentile) and at least three times higher than the median monthly wages of the middle wages recipient group (50th percentile). In addition, the lowest wage worker category earned the most significant increase of 17.0 per cent year on year in June 2023. This indicates that the median wages for this group has risen sharply from RM1,282 in June 2022 to RM1,500 in June 2023.

Concluding his statement on today's release, Dato' Sri Dr Mohd Uzir Mahidin said, "This statistics released to enhance the dissemination of employee wages statistics by leveraging administrative data and contributing to a deeper understanding of Malaysia's labour market dynamics. Moreover, through integration with other administrative data DOSM will publish employee wages statistics according to various dimensions such as integration of private and public sector data, according to the status of the company such as Multi-National Corporation (MNC) and Foreign Direct Investment (FDI), types of business ownership, business orientation (export oriented or domestic demand), economic scale of the business and others."

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 a catalog of data and visualisations to facilitate users' analysis of various data and can be accessed through https://open.dosm.gov.my.

DOSM will conduct the Agricultural Census in 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".

Exhibit 1: Median Monthly Wages, January 2022 – June 2023

Exhibit 2: Median Monthly Wages by Gender, April – June 2023



Exhibit 3: Median Monthly Wages by Economic Activity, April – June 2023

ECONOMIC ACTIVITY

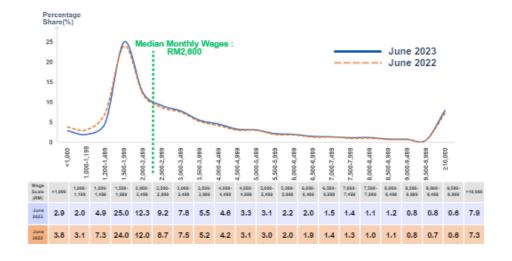
The highest median monthly wages in June 2023 was recorded in Mining & quarrying sector (RM5,200), followed by Construction, Services, Manufacturing and Agriculture.



RM1,600
RM1,600
RM1,600
RM1,600
RM2,600
RM2,60

Exhibit 4: Median Monthly Wages by State, April – June 2023

Exhibit 5: Employee Wages Distribution by Wage Scale, June 2022 & June 2023



Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA DEPARTMENT OF STATISTICS, MALAYSIA 30 NOVEMBER 2023