



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

LABOUR PRODUCTIVITY, FOURTH QUARTER OF 2023

National labour productivity posted a positive growth of 0.7 per cent in the fourth quarter of 2023, registered RM43.5 per hour

PUTRAJAYA, 22 February 2024 – Malaysia's labour productivity posted a positive growth of 0.7 per cent in the fourth quarter of 2023 with total hours worked increased 2.3 per cent to register 9.4 billion hours, as reported by the Department of Statistics Malaysia (DOSM) in today's release of **Labour Productivity Statistics, Malaysia, Fourth Quarter of 2023**.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "Malaysia's economy moderated to 3.0 per cent in the fourth quarter of 2023 as compared to 3.3 per cent in the third quarter of 2023, while the total number of employment indicates a year-on-year growth of 2.5 per cent, registered 16.3 million persons (Q3 2023: 2.7%; 16.3 million persons) in the fourth quarter of 2023."

Elaborating further on the performance of national labour productivity, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "With the propel of stable economic and labour market growth, labour productivity measured as value added per hour worked in the fourth quarter of 2023 has improved at 0.7 per cent, RM43.5 per hour (Q3 2023:-0.9%; RM42.2 per hour), **[Chart 1]** while labour productivity as expressed by value added per employment maintained its positive growth, with a 0.5 per cent increase to RM25,080 per person (Q3 2023: 0.6%; RM24,470 per person)." **[Chart 2]**

In terms of **sectoral performance** for labour productivity **per hour worked**, the **Construction** sector steered the overall performance by posting an increase of

2.6 per cent (Q3 2023: 5.2%), year-on-year, followed by the **Mining and quarrying sector** at 1.8 per cent (Q3 2023: -0.4%), **Services** sector at 1.5 per cent (Q3 2023: 0.1%), and **Agriculture sector** at 1.0 per cent (Q3 2023: -0.9%), while the **Manufacturing** sector showed a decline at negative 2.8 per cent (Q3 2023: -4.5%).

Labour productivity per hour worked grew across all the **Services** main subsectors, namely, *Transportation and storage* (10.5%); *Real estate and business services* (7.3%); *Utilities* (5.1%); *Wholesale and retail trade* (5.1%), *Other services* (3.4%); and *Information and communication* (3.1%); except for *Finance and insurance* (-13.2%); and *Food & beverages and accommodation* (-5.3%).

Meanwhile, five subsectors which showed increments in labour productivity per hour worked for the **Manufacturing** sector were *Vegetable and animal oils & fats and food processing* (2.9%); *Non-metallic mineral products, basic metal and fabricated metal products* (2.7%); *Textiles, wearing apparel and leather products* (1.5%); *Transport equipment, other manufacturing and repair* (1.2%); and *Wood products, furniture, paper products and printing* (0.1%); whereas the other three subsectors recorded negative growth, namely *Electrical, electronic and optical products* (-8.2%); *Beverages and tobacco products* (-3.4%); and *Petroleum, chemical, rubber and plastic product* (-3.0%).

Looking at the **sectoral performance** for labour productivity measured as **value added per employment**, the **Mining and quarrying** sector, **Construction** sector, **Services** sector and **Agriculture** sector recorded positive year-on-year growth of 3.6 per cent (Q3 2023: -0.5%); 2.4 per cent (Q3 2023: 5.7%); 1.2 per cent (Q3 2023: 1.9%); and 1.1 per cent (Q3 2023: 0.3%), respectively. Meanwhile, the **Manufacturing sector** posted a decline at negative 3.2 per cent (Q3 2023: -3.1%).

Labour productivity per employment for the **Services** sector was attributed to positive growth of its five main subsectors, namely, *Transportation and storage* (9.5%); *Real estate and business services* (5.7%); *Other services* (4.1%); *Utilities* (2.6%); and *Wholesale and retail trade* (2.5%); while the other three subsectors deteriorated, namely, *Finance and insurance* (-6.3%); *Food & beverages and accommodation* (-4.0%); and *Information and communication* (-0.01%).

Four subsectors of the **Manufacturing sector** that demonstrated positive growth in labour productivity per employment were Non-metallic mineral products, basic metal and fabricated metal products (2.8%); Beverages and tobacco products (2.1%); Transport equipment, other manufacturing and repair (1.9%); and Vegetable and animal oils & fats and food processing (1.7%); whereas the other four subsectors recorded negative growth, namely, Electrical, electronic and optical products (-7.3%); Petroleum, chemical, rubber and plastic products (-3.1%); Wood products, furniture, paper products and printing (-1.9%); and Textiles, wearing apparel and leather products (-1.3%).

Commenting further on the overall performance of labour productivity for the year 2023, the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "The performance of labour productivity per hour worked for the year 2023 showed a positive growth of 0.2 per cent (2022: 1.8%) with a value of RM41.9 per hour (2022: RM41.8 per hour). Likewise, labour productivity per employment demonstrated a positive momentum at 0.9 per cent (2022: 5.4%) to record value added per employment of RM96,692 per person (2022: RM95,858 per person). Two sectors namely Construction and Services displayed stable positive momentum while the other sectors keep fluctuating".

Concluding his statement, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "Building a strong workforce for the future is the key factor for the enhancement of labour productivity. Therefore, more cohesive efforts are needed to drive industrial productivity growth. Nevertheless, the outlook is subject to the challenging global context of increasingly competitive markets and uncertain global macroeconomic trends."

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 Agriculture 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".

The Central Database (PADU) was launched on 2 January 2024. PADU contains individual and household profiles covering citizens and permanent residents of Malaysia. The main goal of PADU is to ensure that Malaysians are not left behind from citizen centric initiatives implemented by the Government. Your kind cooperation is requested to register and update PADU by 31 March 2024. Please visit <https://www.padu.gov.my> for more information related to PADU or contact the following hotlines:

- i) Department of Statistics Malaysia: 1-800-88-7720 /1-800-88-7721
- ii) Online Enquiries through SISPA: <https://padu.spab.gov.my>.

Released by:

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DEPARTMENT OF STATISTICS MALAYSIA
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Chart 1: Labour productivity, value added per hour worked, Q1 2019 – Q4 2023

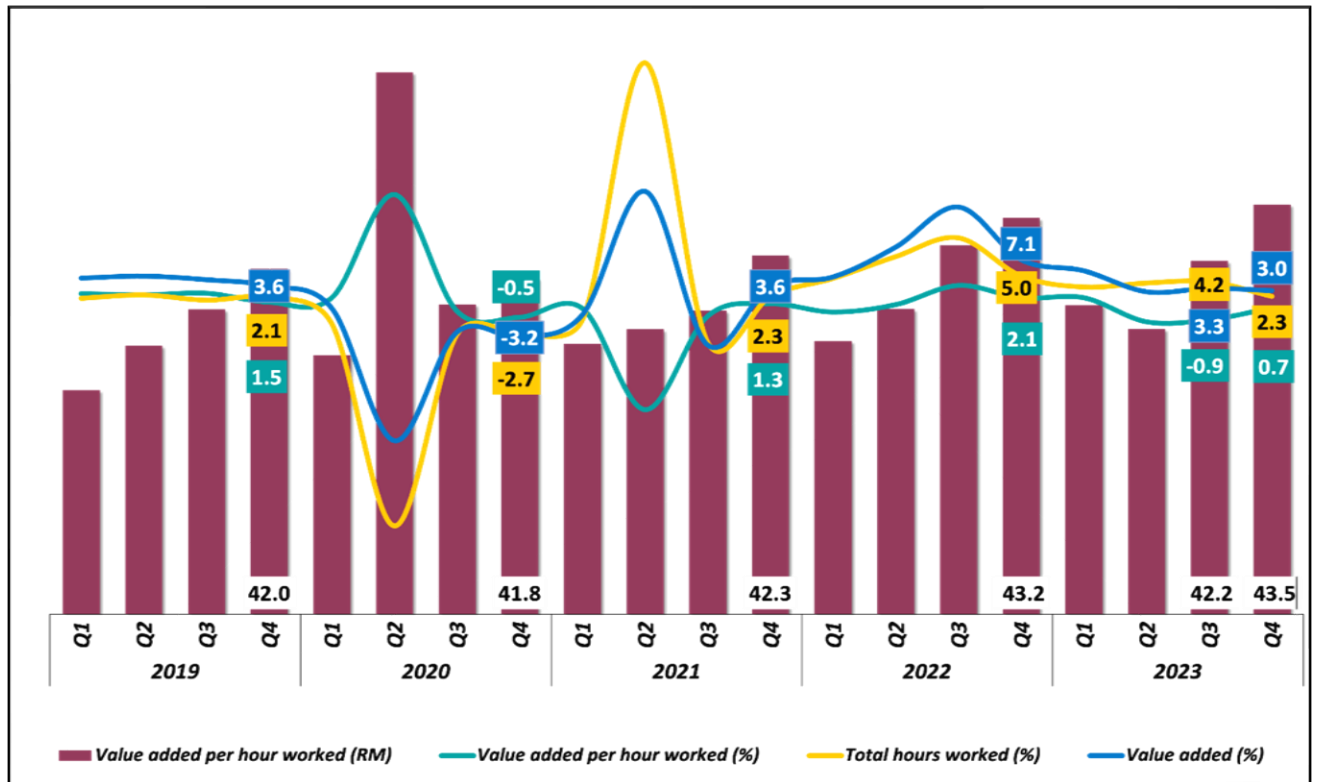


Chart 2: Labour productivity, value added per employment, Q1 2019 – Q4 2023

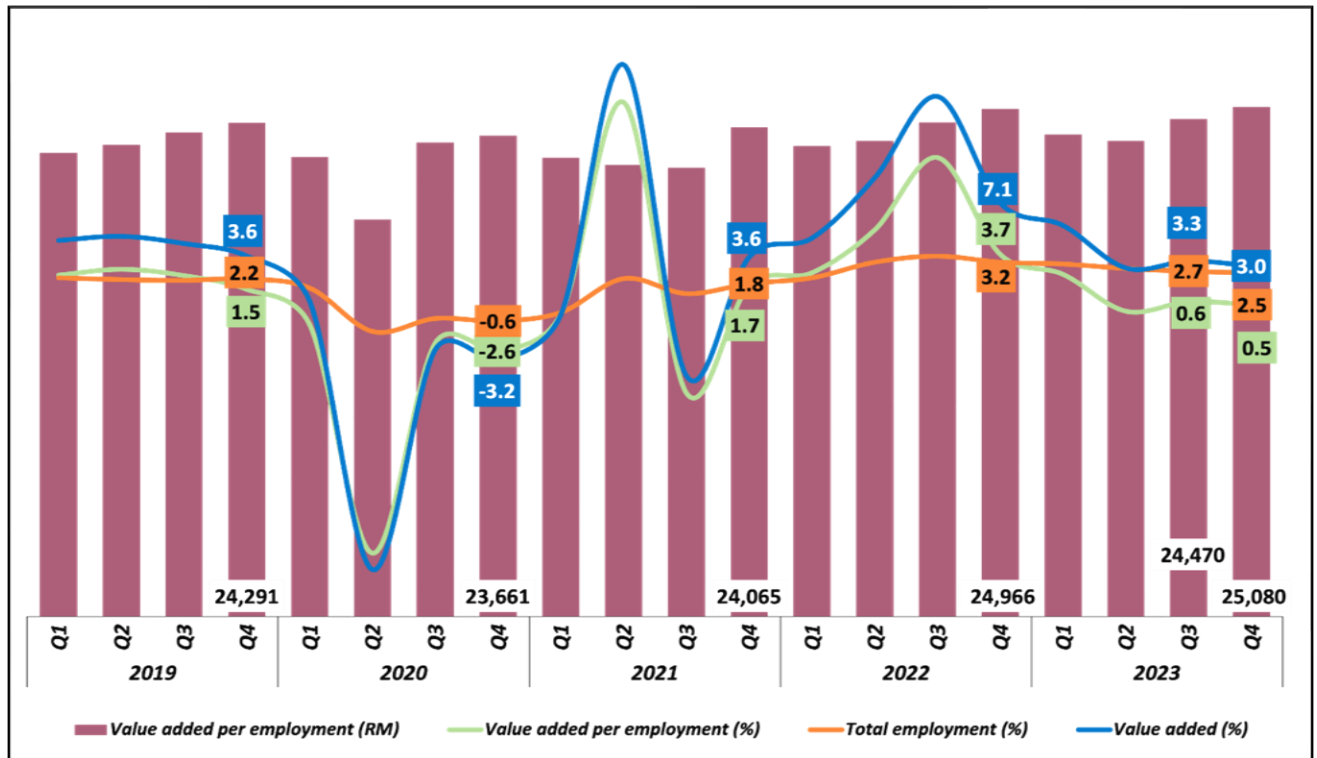


Chart 3: Labour productivity, value added per hour worked, 2019 – 2023

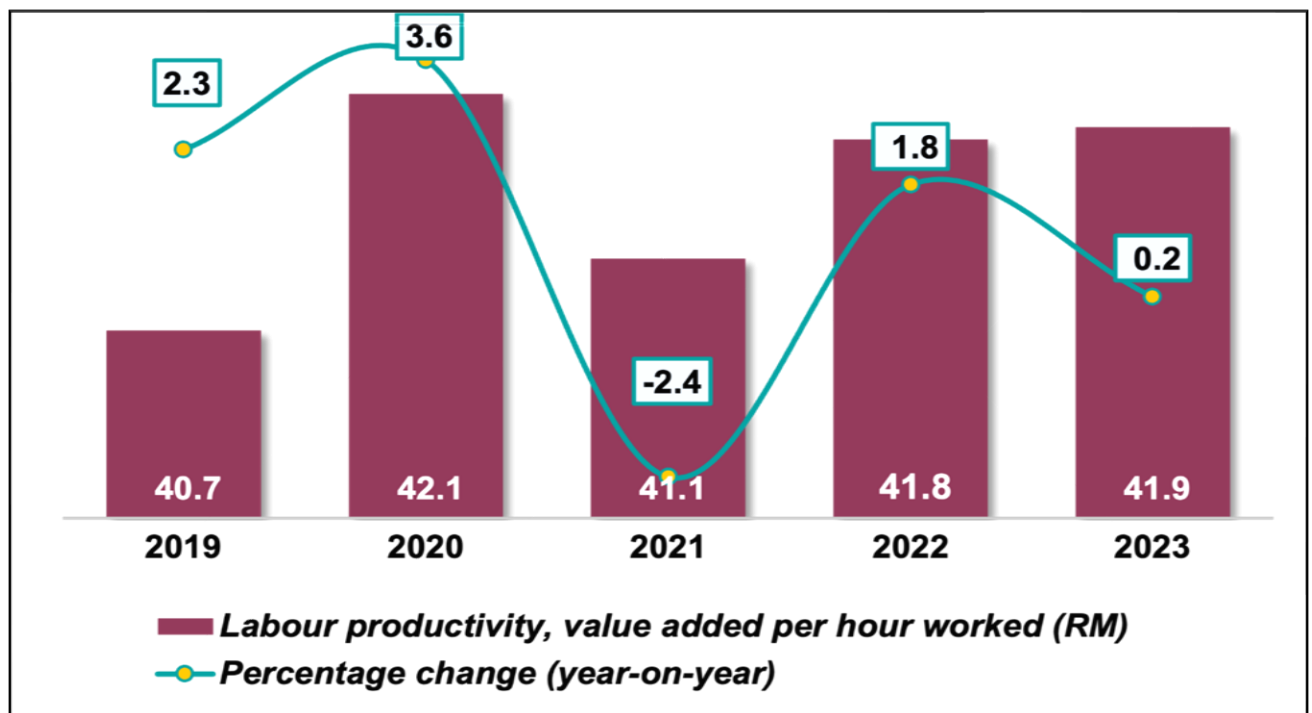


Chart 4: Labour productivity, value added per employment, 2019 – 2023

