MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
LABOUR PRODUCTIVITY, FIRST QUARTER OF 2024

National labour productivity increased 1.9 per cent in the first quarter of 2024 with value added per hour worked at RM42.0 per hour

PUTRAJAYA, 23 May 2024 – *Malaysia's labour productivity posted 1.9 per cent growth with total hours worked increased 2.2 per cent to register 9.5 billion hours, aligned with 4.2 per cent economic growth in the first quarter of 2024. This is reported by the Department of Statistics Malaysia (DOSM) in today's release of **Labour Productivity Statistics, Malaysia, First Quarter of 2024**.*

According to Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, the total number of employment registered was 16.4 million persons, indicating year-on-year growth of 2.1 per cent in the first quarter of 2024 (Q4 2023: 16.3 million persons; 2.5%).

*Elaborating on the performance of national labour productivity, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "The favourable economic position, supported by stable labour market conditions and low unemployment rates caused labour productivity per hour worked in the first quarter of 2024 to increase by 1.9 per cent, to record RM42.0 per hour (Q1 2023: RM41.2 per hour), **[Chart 1]** while labour productivity per employment posted 2.0 per cent growth to register RM24,230 per person (Q1 2023: RM23,744 per person)." **[Chart 2]***

*In terms of **sectoral performance** for labour productivity measured as value added **per hour worked**, the **Construction** sector drove the overall performance by posting a significant increase of 12.5 per cent (Q4 2023: 2.6%), year-on-year, followed by the **Mining and quarrying sector** at 2.7 per cent (Q4 2023: 1.5%), the **Services** sector at*

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*1.8 per cent (Q4 2023: 1.4%), and the **Agriculture sector** at 0.9 per cent (Q4 2023: 1.0%), while the **Manufacturing** sector shrunk at a negative 0.3 per cent (Q4 2023: -2.8%).*

*Labour productivity per hour worked showed an increment across all the **Services** subsectors, namely Transportation and storage (10.4%); Real estate and business services (7.2%); Utilities (6.8%); Other services (2.5%); Wholesale and retail trade (1.6%); and Food & beverages and accommodation (1.1%); except for Finance and insurance (-9.0%); and Information and communication (-1.8%).*

*Meanwhile, four subsectors showed positive growth in labour productivity per hour worked for the **Manufacturing** sector, namely Non-metallic mineral products, basic metal and fabricated metal products (6.1%); Textiles, wearing apparel and leather products (3.1%); Transport equipment, other manufacturing and repair (2.8%); and Wood products, furniture, paper products and printing (2.3%); whereas the other four subsectors that recorded negative growth were Beverages and tobacco products (-9.3%); Electrical, electronic and optical products (-3.0%); Petroleum, chemical, rubber and plastic product (-2.9%); and Vegetable and animal oils & fats and food processing (-2.4%).*

*By looking at the **sectoral performance** for labour productivity as expressed by **value added per employment**, all sectors showed an increase, led by the **Construction** sector at 10.7 per cent (Q4 2023: 2.4%), year-on-year, followed by the **Mining and quarrying** sector at 5.7 per cent (Q4 2023: 3.2%); the **Services** sector at 1.9 per cent (Q4 2023: 1.1%); the **Agriculture** sector at 1.5 per cent (Q4 2023: 1.1%); and the **Manufacturing sector** at 0.2 per cent (Q4 2023: -3.2%).*

*Six subsectors that contributed to the positive growth in labour productivity per employment for the **Services** sector were Transportation and storage (8.1%); Real estate and business services (7.3%); Other services (3.6%); Utilities (3.6%); Wholesale and retail trade (1.2%); and Information and communication (0.5%); while the other two subsectors recorded negative growth, namely Finance and insurance (-1.3%); Food & beverages and accommodation (-0.4%).*

*The positive growth in labour productivity per employment for the **Manufacturing sector** attributed to an increase in its five subsectors, namely Non-metallic mineral products, basic metal and fabricated metal products (5.1%); Beverages and tobacco products (4.7%); Transport equipment, other manufacturing and repair (2.3%); Wood products, furniture, paper products and printing (0.9%); and Electrical, electronic and optical products (0.8%); while the other three subsectors recorded a decline, namely Vegetable and animal oils & fats and food processing (-3.9%); Petroleum, chemical, rubber and plastic products (-0.7%); and Textiles, wearing apparel and leather products (-0.1%).*

Concluding his statement, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, " Labour productivity is expected to post a better outlook as Malaysia's economy is recovering. The positive momentum of labour market growth and thriving business activities as well as strengthening human capital are among the factors for the enhancement of 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) 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". DOSM commemorates its 75th Diamond Jubilee in 2024.

Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
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Chart 1: Labour productivity, value added per hour worked, Q1 2020 – Q1 2024
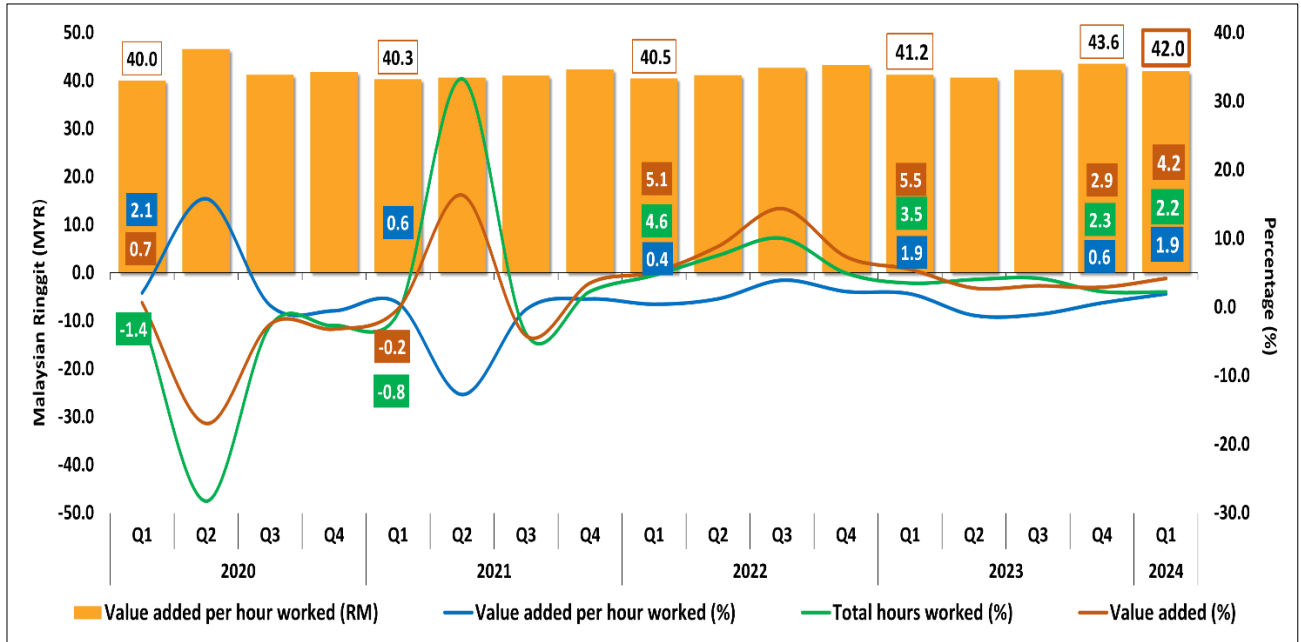

Chart 2: Labour productivity, value added per employment, Q1 2020 – Q1 2024

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