



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

BUSINESS DEMOGRAPHY



The enterprise birth rate rose to 7.5 per cent in 2024, led by the Services sector at 7.8 per cent

- The number of active enterprises reached its highest level in 2024 with 734,089 enterprises, dominated by the Services sector with 583,270 (79.5%).
- The number of enterprise births in 2024 increased to 55,376, with the birth rate strengthening to 7.5 per cent, surpassing 7.3 per cent in 2023. The highest birth rate was recorded in the Services sector at 7.8 per cent, followed by the Construction and Mining & quarrying sectors, each at 6.8 per cent. Notably, within the Services sector, the Food & beverages (13.8%), Arts, entertainment & recreation (12.6%) and Information & communication (11.5%) sub-sectors recorded the highest enterprise birth rates.
- Furthermore, the number of enterprise deaths in 2024 amounted to 28,924, as compared to 33,077 enterprise in the previous year. Consequently, the enterprise death rate declined to 3.9 per cent from 4.7 per cent in 2023.
- The highest death rate was recorded in the Mining and quarrying sector at 5.1 per cent, with the Mineral mining & quarrying sub-sector recording a rate of 5.2 per cent, while the Petroleum & natural gas sub-sector stood at 4.6 per cent. The Services sector ranked second with a death rate of 4.0 per cent, followed by the Agriculture sector at 3.9 per cent.
- The survival rate of enterprise births in 2019 and still operating in 2024 was 69.9 per cent. This five-year survival rate was higher as compared to the 2018-2023 rate of 66.5 per cent and the 2017-2022 rate of 66.1 per cent. The Construction sector recorded the highest rate at 72.8 per cent, followed by the Manufacturing sector at 70.3 per cent and the Services sector at 69.8 per cent.
- The top sub-sector with the highest five-year survival rate in each sector was Residential buildings at 76.8 per cent in the Construction sector, while Transport equipment, other manufacturing & repair stood at 73.2 per cent in the Manufacturing sector. Meanwhile, eight sub-sectors recorded survival rates exceeding the overall level of Services sector, with Private health & social work sub-sector recording the highest survival rate at 79.2 per cent.
- Looking into state-level business demography, four states recorded enterprise birth rates exceeding the national level, namely W.P. Putrajaya (9.7%), Johor (9.2%), W.P. Kuala Lumpur (7.8%) and Selangor (7.7%).
- On the other hand, Perlis registered the highest enterprise death rate in 2024 at 4.7 per cent, with Kelantan and W.P. Putrajaya recording 4.6 per cent and 4.5 per cent respectively.
- At the same time, W.P. Labuan registered the highest five-year survival rate at 77.8 per cent, followed by Sarawak (77.3%) and Perak (76.2%). Eleven states recorded a five-year survival rate above the national rate of 69.9 per cent.

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