MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

LABOUR PRODUCTIVITY, SECOND QUARTER 2026

Labour productivity per hour worked grew RM46.5 per hour in the second quarter of 2026

PUTRAJAYA, 20TH AUGUST 2026 – Labour productivity per hour worked grew RM46.5 per hour in the second quarter of 2026. The report of Labour Productivity Statistics, Malaysia, Second Quarter 2026 is released today by the Department of Statistics Malaysia (DOSM).

Malaysia's labour productivity continued its upward momentum in the second quarter of 2026, with value added per hour worked registering a **5.5 per cent year-on-year growth** (Q1 2026: 4.8%). Correspondingly, **labour productivity measured by value added per hour worked** increased to **RM46.5 per hour** (Q1 2026: RM45.5 per hour). This improvement was underpinned by stronger economic expansion of 6.0 per cent, alongside a 0.5 per cent increase in total hours worked to 9.6 billion hours.

Labour productivity measured by value added per employment grew by 4.9 per cent in this quarter (Q1 2026: 4.3%). Value added per employment increased to RM26,595 per person (Q1 2026: RM26,168 per person). This performance was supported by a 1.1 per cent increase in total employment (Q1 2026: 1.0%), which rose to 16.8 million persons (Q1 2026: 16.7 million persons).

In terms of sectoral performance, **labour productivity measured by value added per hour worked** recorded positive growth across most sectors in the second quarter of 2026, the **Mining and quarrying** sector recorded the highest growth at 9.1 per cent, rebounding from the previous quarter (Q1 2026: -2.4%) This was followed by **Manufacturing** which grew at 7.1 per cent (Q1 2026: 5.8%), **Construction** 5.6 per cent (Q1 2026: 7.8%), and **Services** at 5.4 per cent (Q1 2026: 4.5%). However, the **Agriculture** sector declined by 4.4 per cent, after registering an increase of 3.6 per cent in the previous quarter.

A similar pattern was recorded when **labour productivity was measured by value added per employment**. The **Mining and quarrying** sector led the performance with a 9.2 per cent (Q1 2026: -2.5%). This was followed by **Manufacturing** which continued to demonstrate robust productivity performance, increasing by 7.3 per cent (Q1 2026:

5.8%), **Construction** at 6.0 per cent (Q1 2026: 7.0%) and **Services** at 4.2 per cent (Q1 2026: 4.1%). In contrast, the **Agriculture** sector contracted by 3.7 per cent (Q1 2026: 2.5%).

Overall, the continued improvement in Malaysia's labour productivity reflects the economy's capacity to generate higher value added amid a challenging global environment. Supported by resilient economic activity and a stable labour market, sustained productivity enhancement will remain critical in strengthening economic efficiency, improving competitiveness and supporting long-term sustainable growth. Moving forward, efforts to accelerate value-added activities, optimise resource utilisation and promote innovation will be instrumental in advancing the national productivity agenda in line with the 13th Malaysia Plan (RMK13).

The Department of Statistics Malaysia (DOSM) is conducting the **Economic Census 2026 (BE2026)**, with themed ***"Data Nadi Ekonomi Rakyat"***. The sixth Economic Census, will be carried out from **5th January to 31st October 2026**. BE2026 aims to collect comprehensive and structured data from all registered and unregistered business establishments in Malaysia to assess the nation's economic performance, structure and characteristics in an evidence-based manner.

OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through https://open.dosm.gov.my.

The quarterly Labour Productivity statistics from first quarter of 2024 were revised based on latest Labour Force Statistics estimates.

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, Q2 2023 – Q2 2026

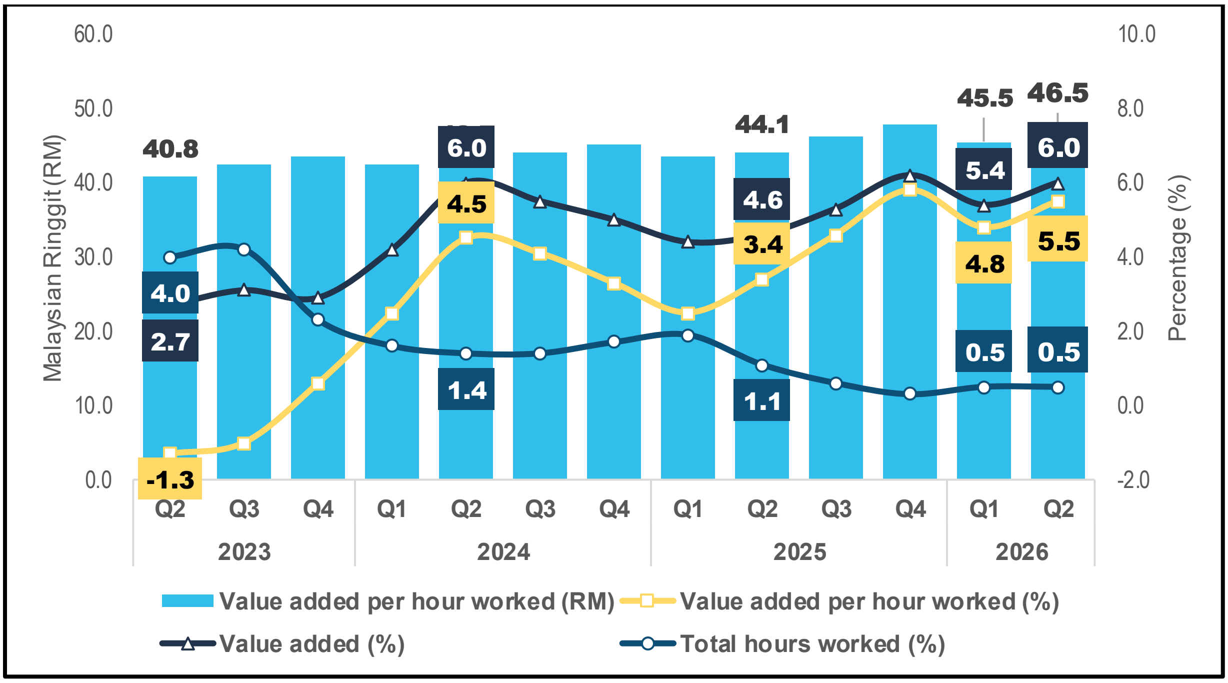

Chart 2: Labour productivity, value added per employment, Q2 2023 – Q2 2026