

# LABOUR PRODUCTIVITY BY STATE



## MALAYSIA'S LABOUR PRODUCTIVITY, 2024

Malaysia's labour productivity rose by 2.4 per cent in 2024, recording value added per employment at RM99,265 per person (2023: 0.7%; RM96,914 per person). Total employment increased to 16.6 million persons, indicating a year-on-year growth of 2.6 per cent in 2024 (2023: 16.2 million; 2.8%). Meanwhile, Malaysia's economy grew 5.1 per cent in 2024, reaching value added of RM1,650,305 million (2023: 3.5%; RM1,570,142 million). Pahang recorded the highest labour productivity, increasing by 4.9 per cent (2023: 2.8%) to register a value added per employment of RM106,316 per person (2023: RM101,313 per person), followed by Johor, which rose by 4.3 per cent, recording RM80,156 per person (2023: 2.1%; RM76,843 per person). W.P. Kuala Lumpur registered a 3.0 per cent increase with RM100,223 per person (2023: 0.8%; RM97,328 per person), while Melaka and Selangor both grew by 2.8 per cent, recording value added per employment of RM109,928 (2023: 0.8%; RM106,897 per person) and RM102,991 per person (2023: 1.9%; RM100,194 per person), respectively. Sarawak recorded an increase of 2.7 per cent, registering a value added per employment of RM129,525 per person (2023: -1.2%; RM126,125 per person). In contrast, **Perlis** and **Sabah** recorded the **lowest labour productivity** in 2024, declining by **1.7** per cent (2023: -1.5%) and 1.1 per cent (2023: -0.7%), with value added per employment of RM62,070 per person (2023: RM63,151 per person) and RM84,394 per person (2023: RM85,369 per person), respectively.

### LABOUR PRODUCTIVITY PERFORMANCES BY STATE, 2024

In **Johor, labour productivity increased 4.3 per cent** (2023: 2.1%), registering **value added per employment of RM80,156 per person** (2023: RM76,843 per person). Growth was driven by a significant expansion in the Construction sector, which grew 53.5 per cent (2023: 17.9%), followed by the Mining and quarrying sector at 10.5 per cent (2023: 5.7%), Agriculture sector at 3.8 per cent (2023: 2.3%), Manufacturing sector at 3.4 per cent (2023: 0.7%) and Services at 1.4 per cent (2023: 1.0%).

In 2024, Kedah's labour productivity per employment grew by 1.7 per cent (2023: -0.8%), recording value added per employment of RM82,215 per person (2023: RM80,861 per person). The Agriculture sector demonstrated strong performance with growth of **8.4 per cent** (2023: 2.6%), followed by the Manufacturing at **3.1 per cent** (2023: -6.7%) and the Services at **0.8 per cent** (2023: 1.0%). In contrast, the Construction and the Mining and quarrying sector recorded declines of **15.5 per cent** (2023: 24.8%) and **4.7 per cent** (2023: 4.6%), respectively.

In 2024, Kelantan's labour productivity expanded by 1.2 per cent (2023: 0.2%), recording value added per employment of RM71,084 per person (2023: RM70,251 per person). This improvement was mainly supported by broad-based expansion across all sectors. The Construction sector led the overall performance, posting a strong growth of 20.5 per cent (2023: 8.7%), followed by the Mining and quarrying at 6.7 per cent (2023: 7.0%), Agriculture at 4.0 per cent (2023: -2.4%), Manufacturing at 0.4 per cent (2023: -4.2%) and Services at 0.01 per cent (2023: 0.8%).

In Melaka, labour productivity grew 2.8 per cent (2023: 0.8%) recording value added per employment of RM109,928 per person (2023: RM106,897 per person). The improvement was supported by growth across all sectors, led by Construction which grew at 23.3 per cent (2023: 6.6%), followed by Agriculture 8.2 per cent (2023: 6.4%), Mining and quarrying at 4.1 per cent (2023: 4.0%), Manufacturing at 2.6 per cent (2023: 0.3%) and Services at 2.3 per cent (2023: 0.8%).

Negeri Sembilan's labour productivity expanded by 1.3 per cent (2023: -0.7%), recording value added per employment of RM106,401 per person (2023: RM105,068 per person). This improvement was driven by growth in the Construction sector at 7.9 per cent (2023: -5.8%), Manufacturing at 1.7 per cent (2023: -3.0%) and Services at 1.7 per cent (2023: 1.6%). Meanwhile, the Mining and quarrying and Agriculture sectors recorded declines of 5.9 per cent (2023: 8.5%) and 1.7 per cent (2023: -6.2%), respectively.

Pahang recorded labour productivity at 4.9 per cent (2023: 2.8%) with value added per employment of

RM106,316 per person (2023: RM101,313 per person) in 2024. The improvement was mainly supported by growth in the Construction sector, which increased 15.9 per cent (2023: 47.5%), followed by Agriculture at 12.8 per cent (2023: -0.1%) and Services sectors at 1.4 per cent (2023: 2.8%). Conversely, both the Mining and quarrying and Manufacturing sectors recorded declines of 2.3 per cent (2023: 9.3%) and 0.9 per cent (2023: -2.2%), respectively.

In 2024, **Pulau Pinang's labour productivity increased by 1.9 per cent** (2023: -0.8%), registering a **value added per employment of RM105,585 per person** (2023: RM103,616 per person). The improvement was supported by positive growth across all sectors, with the **Construction** sector expanding by **11.7 per cent** (2023: 19.6%), followed by **Agriculture** at **5.7 per cent** (2023: -5.2%), **Mining and quarrying** at **2.1 per cent** (2023: 3.0%), **Services** at **1.5 per cent** (2023: 2.5%), and **Manufacturing** at **1.3 per cent** (2023: -5.1%).

In 2024, Perak's labour productivity increased by 2.2 per cent (2023: 0.9%), recording value added per employment of RM87,230 per person (2023: RM85,351 per person). The improvement in labour productivity was driven by growth across four sectors, namely the Construction (11.5%; 2023: -5.0%), Manufacturing (3.8%; 2023: 0.04%), Agriculture (2.1%; 2023: 5.2%) and Services sectors (1.2%; 2023: 0.2%). In contrast, the Mining and quarrying sector recorded a decline of 1.7 per cent (2023: 8.5%).

Labour productivity for Perlis declined by 1.1 per cent (2023: -0.7%), recording value added per employment of RM84,394 per person (2023: RM85,369 per person). The decline was mainly attributed to weak performance in the Agriculture and Services sectors which contracted by 19.9 per cent (2023: 13.7%) and 1.0 per cent (2023: -2.5%), respectively. In contrast, the Construction, Manufacturing, and Mining and quarrying sectors recorded growth of 28.1 per cent (2023: 6.5%), 2.1 per cent (2023: -0.02%), and 2.1 per cent (2023: 4.7%), respectively.

In 2024, Selangor's labour productivity expanded by 2.8 per cent (2023: 1.9%), recording value added per employment of RM102,991 per person (2023: RM100,194 per person). The improvement was mainly driven by increases in labour productivity across most sectors, except for the Agriculture sector which declined by 7.5 per cent (2023: -13.5%). The Mining and quarrying sector led the overall performance with a growth of 11.6 per cent (2023: 4.0%), followed Construction at 9.3 per cent (2023: 7.1%), Manufacturing at 4.2 per cent (2023: -0.8%), and Services at 2.5 per cent (2023: 2.5%).

Terengganu's labour productivity for this year increased by 2.4 per cent (2023: -0.3%), recording value added per employment of RM106,815 per person (2023: RM104,309 per person). The improvement was supported by growth across all sectors, except for the Services sector which recorded a marginal decline of 0.3 per cent (2023: -0.5%). The Construction sector led the overall performance, posting a strong growth of 18.4 per cent (2023: 3.1%), followed by Mining and quarrying at 10.1 per cent (2023: 2.0%), Agriculture at 5.9 per cent (2023: 5.4%), and Manufacturing at 4.6 per cent (2023: -3.2%).

In 2024, Sabah's labour productivity declined by 1.7 per cent (2023: -1.5%), registering value added per employment of RM62,070 per person (2023: RM63,151 per person). The decline was mainly attributed to weak performance in three sectors, namely the Agriculture (-6.0%; 2023: -1.5%), Manufacturing (-5.0%; 2023: 0.5%), and Mining and quarrying sectors (-3.3%; 2023: -3.1%). In contrast, the Construction and Services sectors recorded positive growth of 20.3 per cent (2023: -5.0%) and 1.1 per cent (2023: 0.9%), respectively.

Sarawak's labour productivity expanded 2.7 per cent (2023: -1.2%) registering value added per employment of RM129,525 per person (2023: RM126,125 per person) in 2024. The improvement was mainly supported by growth across all sectors, led by Construction sector at 14.7 per cent (2023: 5.5%), followed by Agriculture at 3.9 per cent (2023: 0.5%), Mining and quarrying at 2.6 per cent (2023: 0.8%), Services at 1.6 per cent (2023: 2.0%) and Manufacturing at 1.4 per cent (2023: -6.0%).

W.P. Kuala Lumpur's labour productivity labour productivity increased at 3.0 per cent (2023: 0.8%), in 2024, recording value added per employment of RM100,223 per person (2023: RM97,328 per person).

Growth was recorded across all sectors, led by the **Construction** sector which surged **19.1 per cent** (2023: -10.4%), followed by **Mining and quarrying** at **3.0 per cent** (2023: 3.6%), **Manufacturing** at **2.2 per cent** (2023: 1.4%), **Services** at **2.1 per cent** (2023: 1.8%) and **Agriculture** at **0.1 per cent** (2023: 0.3%).

In 2024, **W.P. Labuan's labour productivity grew by 1.8 per cent** (2023: -1.2%), recording **value added per employment of RM199,318 per person** (2023: RM195,772 per person). The improvement was supported by higher productivity in the **Services** and **Manufacturing** sectors which increased by **2.6 per cent** (2023: -1.7%) and **2.2 per cent** (2023: -1.0%), respectively. In contrast, the **Agriculture** and **Construction** sectors declined by **2.8 per cent** (2023: 13.5%) and **2.6 per cent** (2023: 1.4%), respectively.

#### LABOUR PRODUCTIVITY PERFORMANCES BY SECTOR, 2024

Labour productivity in the Agriculture sector increased by 2.2 per cent recording value added per employment of RM54,762 per person (2023: -0.4%; RM53,584 per person). Most states registered growth, particularly Pahang (12.8%), Kedah (8.4%), Melaka (8.2%), Terengganu (5.9%), Pulau Pinang (5.7%), Kelantan (4.0%), Sarawak (3.9%), Johor (3.8%), Perak (2.1%), and W.P. Kuala Lumpur (0.1%). However, several states recorded declines namely Perlis (-19.9%), Selangor (-7.5%), Sabah (-6.0%), W.P. Labuan (-2.8%) and Negeri Sembilan (-1.7%).

Labour productivity in the Mining and quarrying sector increased by 0.7 per cent, registering value added per employment of RM1,287,906 per person (2023: 0.1%; RM1,278,721 per person). This sector displayed notable variation across states, with increases in Selangor (11.6%), Johor (10.5%), Terengganu (10.1%), Kelantan (6.7%), Melaka (4.1%), W.P. Kuala Lumpur (3.0%), Sarawak (2.6%), Perlis (2.1%), and Pulau Pinang (2.1%) and Supra (1.1%). Meanwhile, declines were recorded in Negeri Sembilan (-5.9%), Kedah (-4.7%), Sabah (-3.3%), Pahang (-2.3%), and Perak (-1.7%).

In the Manufacturing sector, labour productivity increased by 2.6 per cent (2023: -2.1%) recording value added per employment of RM134,532 per person (2023: RM131,147 per person). The improvement was supported by positive growth across several states, notably Terengganu (4.6%), Selangor (4.2%), Perak (3.8%), Johor (3.4%), Kedah (3.1%), Melaka (2.6%), W.P. Kuala Lumpur (2.2%), W.P Labuan (2.2%), Perlis (2.1%), Negeri Sembilan (1.7%), Sarawak (1.4%), Pulau Pinang (1.3%) and Kelantan (0.4%). Conversely, declines were recorded in Sabah (-5.0%) and Pahang (-0.9%).

In 2024, labour productivity for the Construction sector increased 16.4 per cent to reach value added per employment of RM47,223 per person (2023: 4.9%; RM40,555 per person). Growth was driven by strong performances across fourteen states, namely Johor (53.5%), Perlis (28.1%), Melaka (23.3%), Kelantan (20.5%), Sabah (20.3%), W.P. Kuala Lumpur (19.1%), Terengganu (18.4%), Pahang (15.9%), Sarawak (14.7%), Pulau Pinang (11.7%), Perak (11.5%), Selangor (9.3%), and Negeri Sembilan (7.9%). In contrast, declines were recorded in Kedah (-15.5%) and W.P. Labuan (-2.6%).

In the Services sector labour productivity grew by 1.8 per cent, recording value added per employment of RM94,152 per person (2023: 1.6%; RM92,504 per person). Growth was recorded across almost all states, led by W.P Labuan (2.6%), Selangor (2.5%), Melaka (2.3%), W.P Kuala Lumpur (2.1%), Negeri Sembilan (1.7%), Sarawak (1.6%), Pulau Pinang (1.5%), Pahang (1.4%), Johor (1.4%), Perak (1.2%), Sabah (1.1%), Kedah (0.8%) and Kelantan (0.01%). Meanwhile, declines were recorded in Perlis (-1.0%) and Terengganu (-0.3%).

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