



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 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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