



LABOUR PRODUCTIVITY, FIRST QUARTER 2025



MALAYSIA'S LABOUR PRODUCTIVITY

Labour productivity per hour worked in Q1 2025 **accelerated 1.0 per cent** (Q4 2024: 1.4%) with **value added per hour worked at RM42.5 per hour** (Q4 2024: RM44.2 per hour), while total hours worked increased 3.3 per cent (Q4 2024: 3.5%) to register 9.8 billion hours (Q4 2024: 9.7 billion hours). In the meantime, Malaysia's economic performance recorded 4.4 percent growth in the first quarter of 2025, reaching value added of RM415,224 million (Q4 2024: 4.9%; RM430,477 million). Meanwhile, **labour productivity per employment increased 1.3 per cent** in Q1 2025 to record **value added per employment at RM24,580 per person** (Q4 2024: 2.1%; RM25,635 per person), as the total number of employed persons grew 3.0 per cent to register 16.9 million persons (Q4 2024: 2.7%; 16.8 million persons).

AGRICULTURE

In the first quarter of 2025, **labour productivity per hour worked** for the **Agriculture sector increased 0.1 per cent with value added per hour worked at RM23.3 per hour** (Q4 2024: -1.9%; RM25.1 per hour). The value added recorded 0.6 per cent growth, reaching a value of RM23,709 million (Q4 2024: -0.7%; RM25,683 million). Simultaneously, the total hours worked increased 0.5 per cent to register 1,017 million hours (Q4 2024: 1.3%; 1,022 million hours), while average hours worked rose 0.2 per cent to record 41.6 hours per week (Q4 2024: 0.1%; 42.0 hours per week). **Labour productivity expressed as value added per employment** for this sector **increased 0.3 per cent**, recorded **value added per employment at RM12,603 per person** (Q4 2024: -1.9%; RM13,686 per person) during this quarter, while the total number of employed persons grew 0.3 per cent, posted 1,881 thousand persons (Q4 2024: 1.2%; 1,877 thousand persons).

MINING & QUARRYING

In Q1 2025, the **Mining and quarrying sector** recorded **labour productivity per hour worked at a negative 0.9 per cent** with **value added per hour worked of RM551.1 per hour** (Q4 2024: -2.4%; RM550.9 per hour), as value added slumped at a negative 2.7 per cent, equivalent to RM25,492 million (Q4 2024: -0.7%; RM26,158 million). Meanwhile, total hours worked declined at a negative 1.8 per cent to post 46 million hours (Q4 2024: 1.8%; 47 million hours) with average hours worked fell at a negative 1.0 per cent to record 47.1 hours per week (Q4 2024: 1.3%; 48.2 hours per week). **Labour productivity measured by value added per employment** for this sector **deteriorated at a negative 3.2 per cent** to record **value added per employment at RM332,946 per person** (Q4 2024: -1.1%; RM341,522 per person) during this quarter. The total number of employed persons increased 0.5 per cent, registered a total of 77 thousand persons (Q4 2024: 0.4%; 77 thousand persons).

MANUFACTURING

In the first quarter of 2025, the **Manufacturing sector demonstrated an expansion of 2.8 per cent in labour productivity per hour worked**, recorded **value added per hour worked of RM56.4 per hour** (Q4 2024: 2.2%; RM58.2 per hour) as value added increased 4.1 per cent, reaching RM95,676 million (Q4 2024: 4.2%; RM99,328 million). The total hours worked increased 1.3 per cent to register 1,697 million hours (Q4 2024: 2.0%; 1,707 million hours), while average hours worked declined at a negative 0.7 per to record RM45.6 hours per week (Q4 2024: 0.5%; RM46.0 hours per week). Most of subsectors experienced growth in labour productivity per hour worked for the Manufacturing sector in Q1 2025, including Vegetable and animal oils & fats and food processing (9.3%), Beverages and tobacco products (7.1%), Electrical, electronic and optical products (6.6%), Textiles, wearing apparel and leather products (2.7%), Wood products, furniture, paper products and printing (1.9%) and Petroleum, chemical, rubber and plastic product (0.3%); except for Transport

equipment, other manufacturing and repair (-6.1%) and Non-metallic mineral products, basic metal and fabricated metal products (-2.7%). Simultaneously, **labour productivity per employment for this sector rose 2.2 per cent** to record **value added per employment at RM33,299 per person** (Q4 2024: 2.8%; RM34,712 per person) during this quarter, with total employment sustained at 1.9 per cent, registered 2,873 thousand persons (Q4 2024: 1.4 per cent; 2,861 thousand persons). Five (5) subsectors recorded an increment in labour productivity per employment for the Manufacturing sector during this quarter, namely Electrical, electronic and optical products (6.4%), Vegetable and animal oils & fats and food processing (6.3%), Wood products, furniture, paper products and printing (1.1%), Petroleum, chemical, rubber and plastic products (1.0%) and Non-metallic mineral products, basic metal and fabricated metal products (0.9%). On the other hand, three (3) other subsectors deteriorated, namely Transport equipment, other manufacturing and repair (-8.8%), Textiles, wearing apparel and leather products (-0.6%) and Beverages and tobacco products (-0.1%).

CONSTRUCTION

During this quarter, **labour productivity per hour worked for the Construction sector grew 11.3 per cent** to record **value added per hour worked at RM20.9 per hour** (Q4 2024: 18.7%; RM20.5 per hour) as value added significantly increased 14.2 per cent, reaching RM17,760 million (Q4 2024: 20.7%; RM17,371 million). Meanwhile, the total hours worked increased 2.5 per cent to post 851 million hours (Q4 2024: 1.7%; 849 million hours), with average hours worked rose 1.7 per cent, registered 46.3 hours per week (Q4 2024: 0.9%; RM46.3 hours per week). **Labour productivity per employment for this sector increased 13.2 per cent** with **value added per employment at RM12,519 per person** (Q4 2024: 19.7%; RM12,275 per person) during this quarter. Meanwhile, the total number of employment sustained at 0.9 per cent, recorded 1,419 thousand persons (Q4 2024: 0.9%; 1,415 thousand persons).

SERVICES

Labour productivity per hour worked for the Services sector in Q1 2025 **expanded 0.5 per cent** with **value added per hour worked at RM40.3 per hour** (Q4 2024: 0.9%; RM41.9 per hour) as value added grew 5.0 per cent or equivalent to RM247,887 million (Q4 2024: 5.5%; RM256,662 million). In the meantime, the total hours worked rose 4.5 per cent, reaching 6,153 million hours (Q4 2024: 4.6%; 6,122 million hours), with average hours worked increased 0.4 per cent to record 44.8 hours per week (Q4 2024: 0.8%; 44.8 hours per week). Despite the small increase in labour productivity per hour worked for this quarter, the Services sector demonstrated performance variation among subsectors, namely Real estate and business services (6.0%), Transportation and storage (4.3%), Other services (2.8%), Information and communication (0.8%) and Wholesale and retail trade (0.6%). However, three (3) other subsectors showed a negative growth, namely Utilities (-6.3%), Food & beverages and accommodation (-2.5%) and Finance and insurance (-0.4%). In the first quarter of 2025, **labour productivity per employment for this sector increased 0.8 per cent** to record **value added per employment at RM23,291 per person** (Q4 2024: 1.8 %; RM24,298 per hour) as the total number of employment increased 4.1 per cent, recorded 10,643 thousand persons (Q4 2024: 3.7%: 10,563 thousand persons). The performance in labour productivity per employment for the Services sector in the first quarter of 2025 was attributed to the growth of six(6) subsectors, namely Real estate and business services (5.1%), Transportation and storage (4.3%), Other services (2.9%), Finance and insurance (0.8%), Food & beverages and accommodation (0.2%) and Wholesale and retail trade (0.1%); whereas two (2) other subsectors declined, namely Utilities (-5.9%) and Information and communication (-0.1%).

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