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MEDIA STATEMENT

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LABOUR PRODUCTIVITY THIRD QUARTER OF 2025

Labour productivity per hour worked grew 3.8 per cent in the third quarter of 2025, registering RM45.1 per hour

PUTRAJAYA, NOVEMBER 20, 2025 *– Labour productivity per hour worked grew 3.8 per cent in the third quarter of 2025, registering RM45.1 per hour, the Department of Statistics Malaysia (DOSM) reported today in the release of* ***Labour Productivity Statistics, Malaysia, Third Quarter of 2025****.*

According to Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "Malaysia's economy increased 5.2 per cent in the third quarter of 2025, as compared to 4.4 per cent in the preceding quarter, while the total hours worked increased by 1.3 per cent to 9.8 billion hours (Q2 2025: 1.0%; 9.7 billion hours)."

Commenting further, the Chief Statistician Malaysia stated, "The number of employment in the third quarter of 2025 increased to 17.0 million persons, indicating year-on-year growth of 1.5 per cent (Q2 2025: 16.8 million persons; 1.6%), while labour productivity per employment increased 3.6 per cent to record value added per employment at RM26,052 per person (Q2 2025: 2.8%; RM24,893per person)."

He added, "The ***sectoral performance*** *for labour productivity measured as* ***value added per hour worked*** *for this quarter was supported by growth across all sectors, led by*

***Construction** 10.2 per cent (Q2 2025: 9.3%), followed by **Mining and quarrying** 9.7 per cent (Q2 2025: -5.1%), **Manufacturing** 4.2 per cent (Q2 2025: 3.7%), the **Services** 2.9 per cent (Q2 2025: 3.6%) and **Agriculture** at 1.3 per cent (Q2 2025: 3.9%)."*

*The performance in labour productivity per hour worked for the **Services sector** in the third quarter of 2025 was attributed to the expansion across all subsectors, except for Finance and insurance (-2.4%) and Utilities (-0.03%). Other Services drove the overall performance by posting a growth 5.6 per cent, followed by Real estate and business services (5.5%), Food & beverages and accommodation (5.4%), Transportation and storage (3.6%), Wholesale and retail trade (3.4%) and Information and communication (2.0%).*

*In the meantime, the **Manufacturing sector** demonstrated growth in labour productivity per hour worked across all of its subsectors, except for Textiles, wearing apparel and leather products (-0.8%). Notable increases were recorded in Vegetable and animal oils & fats and food processing (9.4%), Electrical, electronic and optical products (6.6%), Petroleum, chemical, rubber and plastic product (4.0%), Beverages and tobacco products (2.6%), Wood products, furniture, paper products and printing (2.0%), Non-metallic mineral products, basic metal and fabricated metal products (1.3%) and Transport equipment, other manufacturing and repair (0.5%).*

*In the context of labour productivity measured by **value added per employment**, different sectors showed varies levels of improvement during this quarter. The **Construction sector** steered the overall performance by posting an increase of 10.8 per cent (Q2 2025: 11.0%), followed by **Mining and quarrying** 8.9 per cent (Q2 2025: -5.8%), the **Manufacturing** 3.5 per cent (Q2 2025: 2.8%), **Services** 2.8 per cent (Q2 2025: 2.9%) and **Agriculture** 0.5 per cent (Q2 2025: 2.7%).*

*The growth in the labour productivity per employment for the **Services sector** in Q3 2025 was due to increment across most of its subsectors, including Real estate and business services (5.9%), Food & beverages and accommodation (5.8%), Other services (5.5%), Transportation and storage (5.1%), Wholesale and retail trade (2.5%), Information and communication (1.6%) and Utilities (0.6%). In contrast, Finance and insurance recorded decline of 3.2 per cent.*

*Meanwhile, labour productivity per employment in the **Manufacturing sector** expanded during this quarter. The improvement was supported by positive growth in Electrical, electronic and optical products (6.9%), Beverages and tobacco products (6.4%), Vegetable and animal oils & fats and food processing (5.6%), Non-metallic mineral products, basic metal and fabricated metal products (3.2%), Wood products, furniture,* *paper products and printing (3.1%) and Petroleum, chemical, rubber and plastic products (0.8%). Conversely, declines were recorded in Textiles, wearing apparel and leather products (-0.4%) and Transport equipment, other manufacturing and repair (-0.2%).*

Concluding his statement, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, " Malaysia's labour productivity is well positioned for a resilient and positive outlook, with growth recorded across all sectors of the economy, driven by stable economic conditions and labour market reforms. Thus, the strategy in human capital development should be strengthen by continuous investment in digital transformation, communication, and analytics, as future productivity gains rely heavily on skills development and technology adoption."

Malaysia has, for the first time, successfully secured the top position globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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.](https://open.dosm.gov.my)

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DEPARTMENT OF STATISTICS MALAYSIA
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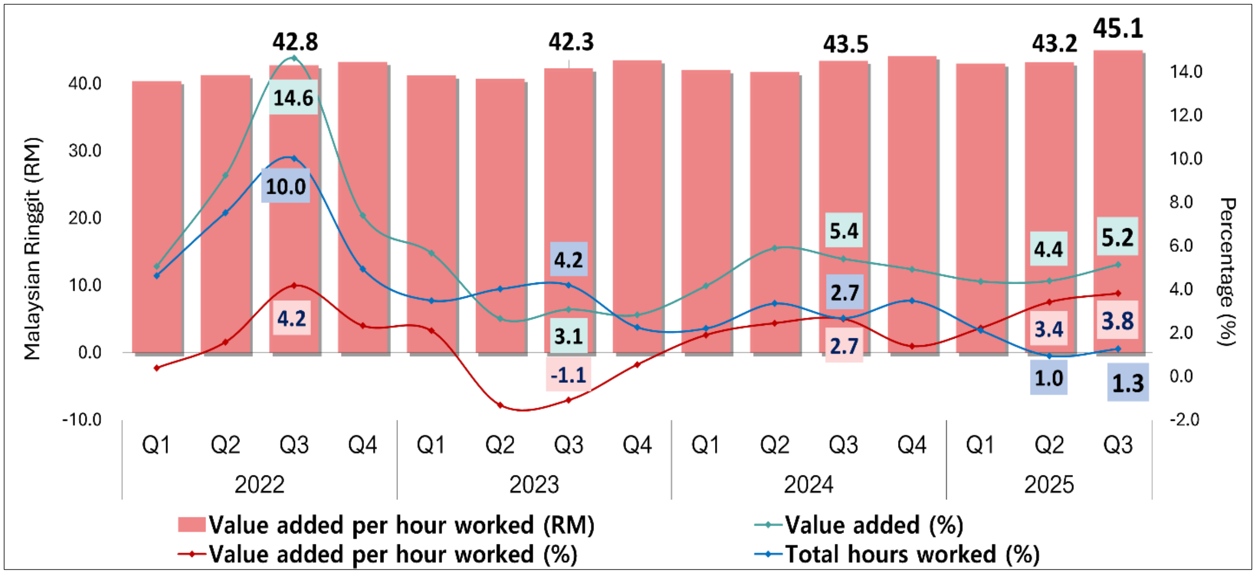
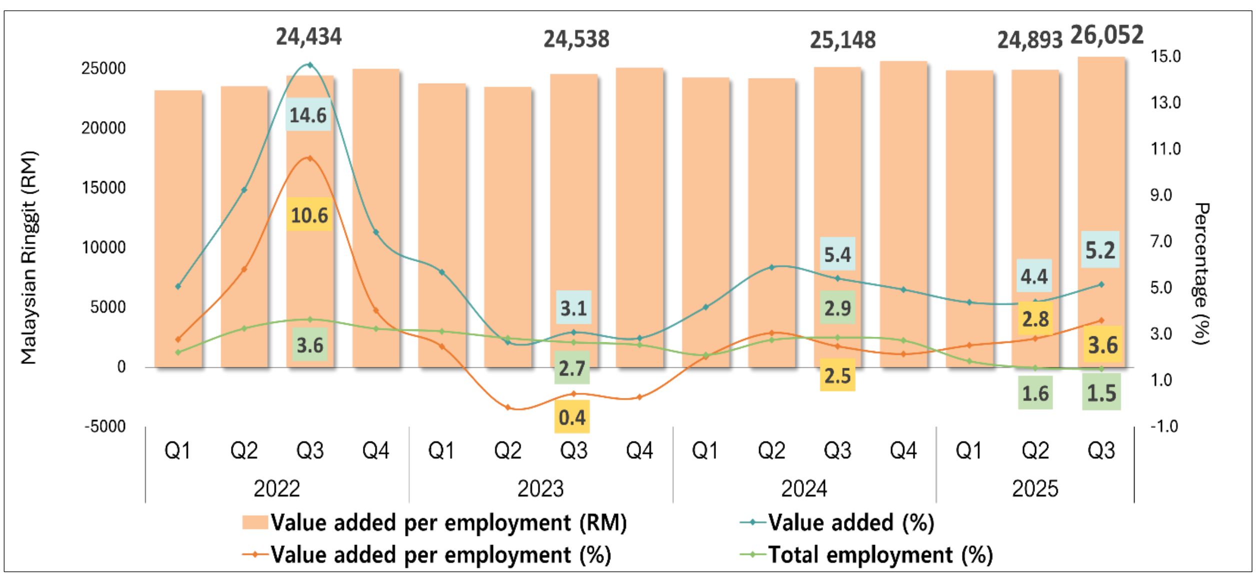
APPENDIX

Chart 1: Labour productivity, value added per hour worked, Q1 2022 – Q3 2025



Source: Malaysia Bureau of Labour Statistics

Chart 2: Labour productivity, value added per employment, Q1 2022 – Q3 2025



Source: Malaysia Bureau of Labour Statistics