



GROSS DOMESTIC INCOME 2018



GROSS DOMESTIC INCOME | 2018



The contribution of Compensation of Employees (CE) to Malaysia's GDP expanded to **35.7 per cent** with a growth of **6.0 per cent** in 2018.

COMPENSATION OF EMPLOYEES

Share: **35.7%**

YoY: **6.0%**

TAXES LESS SUBSIDIES

Share: **3.4%**

YoY: **-25.3%**



GROSS OPERATING SURPLUS

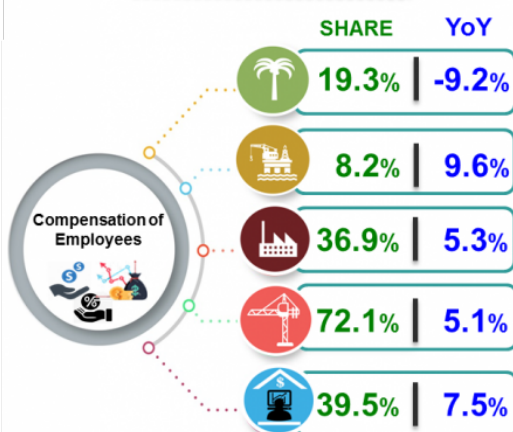
Share: **61.0%**

YoY: **7.6%**

Note:
YoY - Annual Percentage Change
Share - Share to Value Added

PERFORMANCE BY SECTORS

COMPENSATION OF EMPLOYEES



GROSS OPERATING SURPLUS

	SHARE	YoY
AGRICULTURE	75.8%	-7.6%
MINING & QUARRYING	90.4%	10.6%
MANUFACTURING	61.2%	7.3%
CONSTRUCTION	24.8%	13.4%
SERVICES	58.5%	9.9%

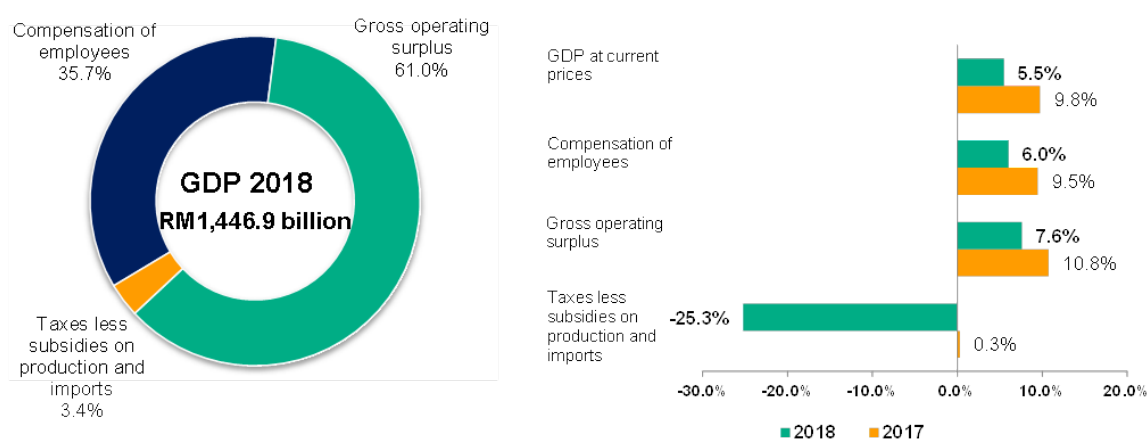
SOURCE: DEPARTMENT OF STATISTICS, MALAYSIA

OVERALL PERFORMANCE 2018

Malaysia's Gross Domestic Product (GDP) at current prices recorded a value of RM1,446.9 billion (2017: RM1,371.6 billion) and grew 5.5 per cent in 2018. The GDP was contributed by Gross Operating Surplus (GOS) which amounted to RM882.5 billion (2017: RM820.2 billion) while Compensation of Employees (CE) has reached RM515.9 billion, an increase of RM29.3 billion from 2017. Taxes less Subsidies on Production and Imports stood at RM48.5 billion as compared to RM64.9 billion in the previous year.

GOS remained the largest share in income components at 61.0 per cent (2017: 59.8%) and registered a growth of 7.6 per cent in 2018. The contribution of CE to Malaysia's GDP expanded to 35.7 per cent with a growth of 6.0 per cent (2017: 9.5%) which was largely driven by Services and Manufacturing sectors. Taxes less Subsidies on Production and Imports formed 3.4 per cent (2017: 4.7%) of overall income which plummeted to 25.3 per cent after recording a marginal growth of 0.3 per cent in the previous year (Chart 1).

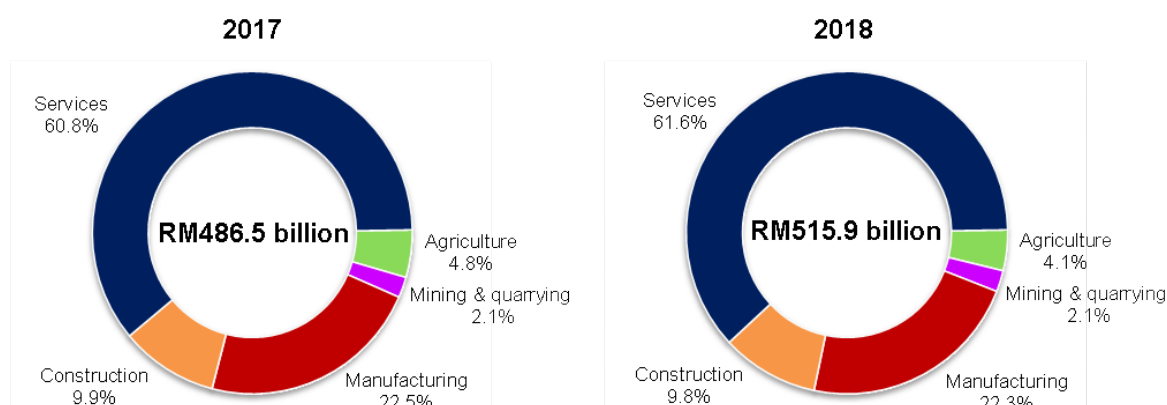
Chart 1 Percentage Share and Annual Percentage Change of Income Components



COMPENSATION OF EMPLOYEES 2018

Services sector was the largest contributor to the total of Malaysia's CE, generated 61.6 per cent (2017: 60.8%). This was followed by Manufacturing sector which amounted to 22.3 per cent as compared to 22.5 per cent in the previous year. Construction sector contributed 9.8 per cent, followed by Agriculture and Mining & quarrying sectors which accounted for 4.1 per cent and 2.1 per cent of share to the overall Malaysia's CE respectively (Chart 2).

Chart 2 Percentage Share of Compensation of Employees

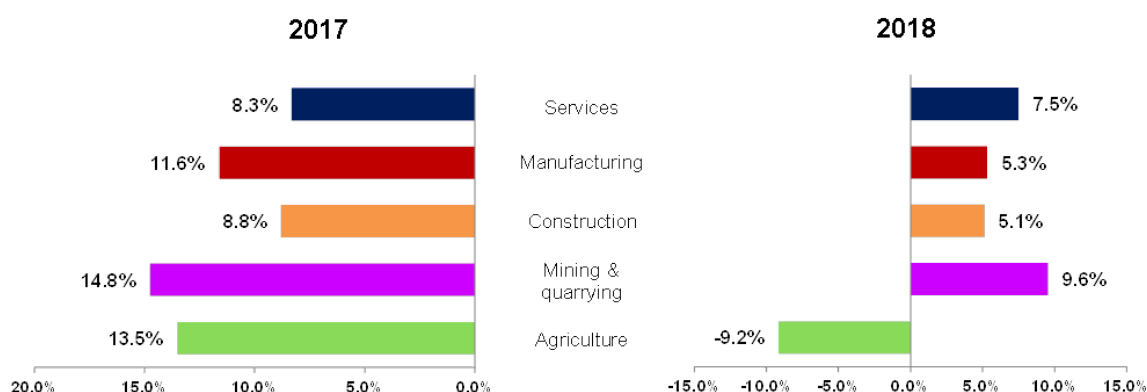


In 2018, CE posted a growth of 6.0 per cent as compared to 9.5 per cent in the preceding year. The momentum was largely driven by Services sector which continued to record a favourable growth by registering 7.5 per cent in this year (Chart 3).

The double-digit growth in Wholesale & retail trade, food & beverage and accommodation at 11.2 per cent has impelled the CE in Services sector. Strong growth registered by Finance, insurance, real estate and business services (8.0%) and Transportation & storage and information & communication (8.9%) also have fuelled the momentum of CE in this sector. Meanwhile, Other services (including Government services) posted a growth of 4.4 per cent against 5.9 per cent in the previous year.

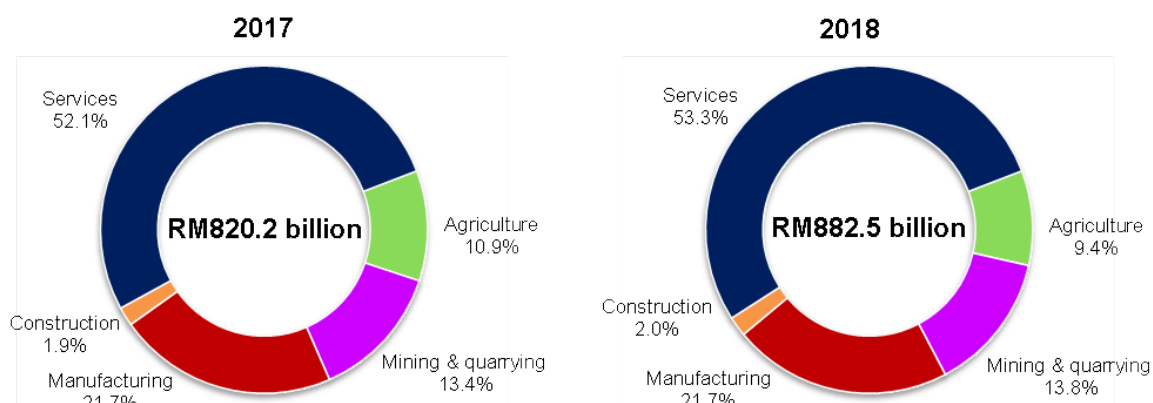
The CE for Manufacturing sector moderated to 5.3 per cent from a double-digit growth of 11.6 per cent in 2017 due to milder growth in all sub-sectors. Electrical, electronic & optical products which holds the highest share of CE to this sector with the share of 40.7 per cent has moderated to 4.6 per cent (2017: 11.2%). Nevertheless, Petroleum, chemical, rubber & plastic products and Non-metallic mineral products, basic metal & fabricated metal products remained strong by registering a growth of 9.7 per cent and 8.0 per cent respectively.

Construction sector grew at 5.1 per cent as compared to 8.8 per cent in the preceding year. The growth was mainly supported by civil engineering and specialised construction activities. Meanwhile, Mining & quarrying sector remained a sturdy growth by registering 9.6 per cent (2017: 14.8%). Conversely, CE for Agriculture sector decreased to 9.2 per cent from a positive growth of 13.5 per cent in 2017. The decline was mainly due to the deceleration in oil palm activities.

Chart 3 Annual Percentage Change of Compensation of Employees

GROSS OPERATING SURPLUS 2018

GOS contributed 61.0 per cent to the Malaysia's GDP in 2018. As the largest contributor to the economy, Services sector accounted for 53.3 per cent to the total GOS in 2018 followed by Manufacturing sector at 21.7 per cent as shown in Chart 4. Mining & quarrying and Agriculture sectors recorded 13.8 per cent and 9.4 per cent respectively. Meanwhile, Construction sector recorded a contribution of 2.0 per cent to the total of GOS.

Chart 4 Percentage Share of Gross Operating Surplus

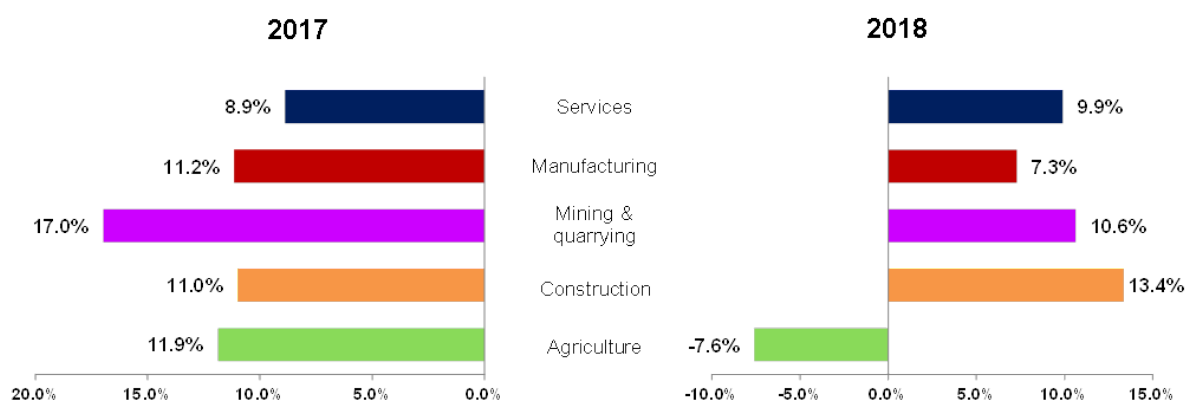
The slower economic growth in 2018 has led to the moderation in GOS momentum at 7.6 per cent (2017: 10.8%). The GOS in Services sector strengthened to 9.9 per cent as compared to 8.9 per cent in 2017 as shown in Chart 5. The growth was propelled by double-digit growth of 11.2 per cent in Wholesale & retail trade, food & beverage and accommodation. The expansion of Finance, insurance, real estate and business services at 9.3 per cent and Transportation & storage and information & communication at 10.0 per cent have further boosted the momentum of GOS in this sector. Furthermore, Other services (including Government services) augmented to 7.8 per cent as compared to 7.1 per cent in the previous year.

In 2018, GOS of Manufacturing sector remained strong although at more moderate pace of 7.3 per cent against 11.2 per cent in the preceding year. The growth was supported mainly by Petroleum, chemical, rubber & plastic products which continued to record a double-digit growth by registering 14.6 per cent. Nonetheless, Food, beverages & tobacco moderated to 6.8 per cent as compared to 16.5 per cent in 2017.

The momentum of GOS in Mining & quarrying sector expanded 10.6 per cent from 17.0 per cent in 2017 spearheaded by crude oil, condensate & natural gas. In addition, the growth of GOS in Construction sector has increased further to 13.4 per cent from 11.0 per cent in 2017.

On the other hand, Agriculture sector decreased to 7.6 per cent from 11.9 per cent in the preceding year. The decline was due to Rubber, oil palm, livestock and other agriculture which plummeted to 10.8 per cent from a remarkable growth of 17.3 per cent in the previous year.

Chart 5 Annual Percentage Change of Gross Operating Surplus



Released By:

DATO' SRI DR. MOHD UZIR MAHIDIN
CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS, MALAYSIA

 **DrUzir_Mahidin**   **Dr_Uzir**

#myHariBulan# #myBulan# #myTahun#

Contact person:

Rohaida binti Mohamad
Public Relation Officer
Strategic Communication and International Division
Department of Statistics, Malaysia
Tel : +603-8885 7942
Fax : +603-8888 9248
Email : rohaida.mohamad[at]dosm.gov.my

Contact person:

Baharudin Mohamad
Public Relation Officer
Strategic Communication and International Division
Department of Statistics Malaysia
Tel : +603-8090 4681
Fax : +603-8888 9248
Email : baharudin[at]dosm.gov.my

Copyright ©2026 Department of Statistics Malaysia Official Portal. All Rights Reserved.