



LABOUR PRODUCTIVITY OF FIRST QUARTER 2019

In the first quarter of 2019, Malaysia's labour productivity, as measured by value added per hour worked, rose 2.4 per cent after registering 3.0 per cent in the preceding quarter. During this quarter, Malaysia's Gross Domestic Product (GDP) grew 4.5 per cent (Q4 2018: 4.7%) while hours worked increased 2.0 per cent against 1.7 per cent in Q4 2018. Labour productivity expressed as the ratio of value added to employment recorded a growth of 2.2 per cent (Q4 2018: 2.3%) as employment increased 2.2 per cent (Q4 2018: 2.4%).

Labour productivity by hours worked for Agriculture sector rebounded to 3.0 per cent from a negative growth of 0.7 per cent in the previous quarter. The growth was mainly supported by the better performance of Crops & Livestock and Forestry & Logging. The value added of this sector turned around markedly to rise by 5.6 per cent (Q4 2018: -0.1%) while hours worked expanded 2.5 per cent (Q4 2018: 0.6%). Meanwhile, labour productivity by employment grew 3.4 per cent against negative 0.3 per cent in the preceding quarter as employment grew 2.2 per cent (Q4 2018: 0.2%).

The growth of labour productivity by hours worked in the Mining and Quarrying sector improved by registering a marginal decline of 0.8 per cent against negative 1.6 per cent in the preceding quarter. The value added of this sector continued to record a negative growth for six consecutive quarters by recording a negative growth of 2.1 per cent (Q4 2018: -0.7%) while hours worked contracted 1.3 per cent (Q4 2018: 0.9%). In the meantime, labour productivity by employment posted a growth of 2.6 per cent (Q4 2018: 2.7%) as employment decreased further to 4.6 per cent (Q4 2018: -3.3%) in this quarter.

Labour productivity by hours worked of Manufacturing sector increased 3.4 per cent as compared to 3.0 per cent in the previous quarter. In terms of value added, this sector posted a growth of 4.2 per cent (Q4 2018: 4.7%) while hours worked moderated to 0.7 per cent (Q4 2018: 1.7%). The highest growth of labour productivity was registered by Wood Products, Furniture, Paper Products & Printing at 9.9 per cent (Q4 2018: 5.8%). This was followed by Transport Equipment, Other Manufacturing & Repair at 6.7 per cent (Q4 2018: 6.7%) and Petroleum, Chemical, Rubber & Plastic Products (Q1 2019: 5.6%; Q4 2018: 3.8%). When measured by value added per employment, labour productivity posted a growth of 2.0 per cent (Q4 2018: 2.5%) as employment in this sector sustained at 2.1 per cent.

Construction sector recorded a growth of labour productivity by hours worked of 4.5 per cent as compared to 5.6 per cent in the preceding quarter. During this quarter, value added eased to 0.3 per cent (Q4 2018: 2.6%) while hours worked decreased 4.1 per cent (Q4 2018: -2.9%). Meanwhile, labour productivity by employment moderated to 4.5 per cent (Q4 2018: 5.3%) as employment declined 4.0 per cent (Q4 2018: -2.6%).

The growth of labour productivity by hours worked in the Services sector rose 2.9 per cent against 4.0 per cent in the previous quarter. The value added of this sector registered a growth of 6.4 per cent (Q4 2018: 6.9%) while hours worked increased 3.4 per cent (Q4 2018: 2.8%). The highest growth of labour productivity was registered by Wholesale & Retail Trade at 5.7 per cent (Q4 2018: 6.0%) and followed by Real Estate & Business Services (Q1 2019: 5.3%; Q4 2018: 7.7%). Despite the moderation in labour productivity momentum of this sector, three sub-sectors posted better performance in this quarter as compared to preceding quarter namely Transportation & Storage (Q1 2019: 4.9%; Q4 2018: 3.1%), Information & Communication (Q1 2019: 3.6%; Q4 2018: 2.5%) and Utilities (Q1 2019: 3.3%; Q4 2018: 2.8%). Labour productivity expressed as the ratio of value added per employment sustained at 2.9 per cent as employment grew 3.4 per cent against 3.9 per cent in the previous quarter.



LABOUR PRODUCTIVITY FIRST QUARTER 2019



Labour Productivity by Hours Worked (%)



Labour Productivity by Hours Worked

In the first quarter of 2019, Malaysia's labour productivity, as measured by value added per hour worked, rose 2.4 per cent after registering 3.0 per cent in the preceding quarter.



Labour Productivity by Employment (%)



Labour Productivity by Employment

Labour productivity expressed as the ratio of value added to employment recorded a growth of 2.2 per cent (Q4 2018: 2.3%) as employment increased 2.2 per cent (Q4 2018: 2.4%).

LABOUR PRODUCTIVITY BY KIND OF ECONOMIC ACTIVITIES

	Agriculture	Mining & Quarrying	Manufacturing	Construction	Services
Q1 2019	3.0	-0.8	3.4	4.5	2.9
Q4 2018	-0.7	-1.6	3.0	5.6	4.0
Q1 2019	3.4	2.6	2.0	4.5	2.9
Q4 2018	-0.3	2.7	2.5	5.3	2.9

Note : 1. The statistics shown refer to year on year percentage change of labour productivity from the same quarter of previous year
2. HW - Hours Worked
3. EMP - Employment

HIGHEST LABOUR PRODUCTIVITY GROWTH



HW



4.5%



3.4%



3.0%



EMP



4.5%



3.4%



2.9%

Released By:

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